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Organizational meeting, 1949

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THE ROYAL COMMISSION ON TRANSPORTATION

ORGANIZATION MEETING

OTTAWA, ONTARIO, APRIL 6th, 1949.

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THE ROYAL COMMISSION ON TRANSPORTATION

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ORGANIZATION MEETING

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THE TOYOTA COMMISSION ON TRANSPORTATION

OTTAWA, ONTARIO, 1949.

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THE ROYAL COMMISSION ON TRANSPORTATION

OTTAWA, ONT., APRIL 6TH, 1949.

HON. W.F.A.TURGEON, K.C., LL.D.
Chairman,

G. R. HUNTER,
Secretary.

P.L.BELCOURT,
Assistant Secretary.

Verbatim Reporting Service,
Official Reporters,
Per: H.E.C. and G.A.T.

RT. HON. J.L.ILSLEY, K.C.,	Counsel to the Commission,
GASTON DESMARAIS, K.C.,	Assistant Counsel to the Commission,
H. E. O'DONNELL, K.C. N. J. MacMILLAN, and H. C. FRIEL, K.C.	For the Canadian National Railways,
C.F.H. CARSON, K.C., F.C.S. EVANS, K.C., K.D.M. SPENCE, and I. D. SINCLAIR.	For the Canadian Pacific Railway Company,
C. W. BRAZIER,	For the Province of British Columbia,
J. J. FRAWLEY, K.C.,	For the Province of Alberta,
M. A. MacPHERSON, K.C.,	For the Province of Saskatchewan,
W. E. McLEAN, K.C. and C. D. SHEPARD,	For the Province of Manitoba,
PAUL BARRY,	For the Province of New Brunswick,
FRANK D. SMITH, K.C.	For the Province of Nova Scotia,
HON. WALTER JONES,	Premier of the Province of Prince Edward Island,
J.O.C. CAMPBELL, K.C.	For the Province of Prince Edward Island,

RAND H. MATHESON,	For the Transportation Commission of the Maritime Board of Trade,
H.E.B. COYNE,	Counsel for the Board of Transport Commissioners for Canada,
R. KERR,	Assistant Counsel for the Board of Transport Commissioners for Canada

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THE CHAIRMAN : Gentlemen, I am very glad to welcome you all here this morning and to thank you for being here. Your presence will help us perhaps to unravel some of the immediate difficulties that seem to be in our path as we go through our commitment in this Order in Council and consider our plans for the future.

We, of course, are on the eve of a task of some magnitude as I read this Commission, and from the beginning and all through, my colleagues and myself will be very happy indeed to know that we can count on your co-operation.

I think, Mr. Ilsley, I would like you to state now just what appears to you to be the immediate points we may discuss this morning.

HON. MR. ILSLEY : Mr. Chairman, I think we could describe the purpose of this meeting as to discuss questions which have arisen or will likely arise in the planning and organization of the work of the Commission. The meeting will necessarily be of an informal nature and there will be, I hope, a free interchange of views between those who are present.

The counsel for the Commission and the Commissioners have been giving some thought as to what steps should be taken in getting underway with the work of the Commission and what principles should apply to the Inquiry.

Some important general questions have arisen and also a number of questions which are not so important, which are rather questions of detail.

I thought that today I might outline some of the views that we have tentatively formed as to the planning and organization of the Commission's work. Perhaps I could run over some of the points that have arisen and have been considered, and then we could come back to discuss them one by one.

In the first place, something must be said about the itinerary of the Commission, where it will start and when it will start and where it will go to hold public hearings.

It seems to be generally considered that there should be regional hearings, that is, that all the hearings of the Commission should not be held at Ottawa, and the question then arises as to where these public hearings should be held and in what order and when.

That is one question.

Another question which will arise is what the procedure should be about delivery of briefs in advance and exchange of briefs in advance, and what the time limit should be for the delivery of briefs. We can come back to that question and discuss that.

A third question which will arise is as to the transcript of the evidence. We have assumed that shorthand notes, a shorthand record, should be kept of the proceedings, and that probably in addition to the copies, which the Commission and counsel for the Commission will require themselves, that counsel for the other bodies

and organizations appearing before the Commission would require copies of the transcript too, and the secretary may wish to say something about the number of transcript copies that will be required and the terms on which they will be supplied to those desiring them.

A fourth question is as to the procedure to be followed at the hearings. Specifically, the question has arisen as to whether those making a presentation to the Commission should do so through the Commission counsel in the first instance, or through their own counsel, with the assistance of their own counsel, in the first instance; and then what the nature of the proceedings will be, how high a degree of formality should be preserved and what steps should be taken, if any, to get away from the litigation atmosphere.

Our view, of course, is that there will not be as much of a litigation atmosphere in this Inquiry as there has been in the freight hearings, that rather it will be more of a co-operative effort for devising solutions of problems, working out possibly amendments to the Railway Act and to make other recommendations.

A fifth question which will arise is as to the production of information by one party or some parties for the benefit of other parties, and what the duty of the Commission should be if difference of opinion arises as to whether such information should be produced.

And then I think finally, the sixth question that I have on my list is this: As to whether there should not be before the regional hearings begin, one initial public session at Ottawa, and when we come to discuss that,

what the agenda of that public session at Ottawa should be, and what notice of it should be given.

Those are the subjects that Commission counsel would like to discuss today and upon which they would like to receive, hear, the views of those present, if those views differ with the views which Commission counsel express.

So, Mr. Chairman, I suggest that we discuss those six points one by one.

THE CHAIRMAN : Very well.

HON. MR. ILSELY : If you think that would be the proper way to proceed.

THE CHAIRMAN : Yes, I think we might proceed the way you have outlined.

HON. MR. ILSLEY : Now, with regard to the itinerary.

THE CHAIRMAN : Is that No.1?

HON. MR. ILSLEY : That is No.1, subject,

Subject to what will be said later about the holding of a public session here in Ottawa before the itinerary proper starts, we had in mind that probably the public hearings, the regional hearings, should begin about the 23rd day of May, feeling that it would be difficult for those interested to prepare their cases before that time in detail. And we have no views about the places at which the regional hearings should be held, other than that there should be a hearing in the Capitals of all the Provinces, at least all the provinces other than the Provinces of Quebec and Ontario -- probably also in the Provinces of Quebec and Ontario.

We felt that the hearings should start either in the Maritime Provinces or in the Western Provinces, and

that they should be completed before hearings are held in Quebec and Ontario, and that at the end of those hearings in the seven Provinces, other than Quebec and Ontario, that there would be certain hearings in Quebec and Ontario to meet the wishes of organizations who have indicated or are likely to indicate their interest in the Inquiry.

Then, I think it was the feeling, Mr. Chairman, that at the end of those regional hearings we should have a hearing at Ottawa at which those who had not already made their representations could make them and at which arguments could be held.

The Commission, if it were left to the Commission to decide, I think would begin their hearings in the Maritime Provinces, probably at Halifax. That would best meet the convenience of the Commission. But I understand that there is or has been some difference of opinion among the Provinces as to whether the hearings should start there or start in the West.

Our feeling is that the cases which will be presented by the Provincial Governments should be presented at the regional hearings, otherwise the Commission may have little to do, or little of substance to do, in these provincial Capitals.

The Provinces, of course, would have an opportunity later of making presentations in reply to or to meet representations that were made by others in Ottawa at the subsequent hearings.

Now, I don't know whether I have left anything out, Mr. Chairman, about the Commission's views as to this matter of hearings and itineraries.

THE CHAIRMAN : No.

HON. MR. ILSLEY : But those are the proposals that we wish to place tentatively before this meeting. And I may say now to this meeting that I do not anticipate that we can come to any agreement or any binding arrangements. I think that the purpose of this meeting should be to secure an interchange of views so that the Commission itself, in the light of those views and in the light of its own convenience and necessities can announce later what their itinerary will be.

THE CHAIRMAN : Yes, what you last said is right, of course. My two colleagues will have to be consulted and informed of what goes on here today and then decisions arrived at.

On that first point, then, which Mr. Ilsley has just raised, can we hear from somebody - somebody with some view?

MR. SMITH : Well, perhaps, Mr. Chairman, inasmuch as the Maritime Provinces have been suggested as the first place in which hearings should be held, I, speaking for the Maritime Transportation Commission and also for the Province of Nova Scotia, would suggest with deference that in view of the fact that the Legislature of the Province of Nova Scotia is still sitting, and of other matters which are pending, and also perhaps inasmuch as Newfoundland is now a Province of Canada and I don't know what position they have taken in connection with this Royal Commission, we would prefer that the sittings be held in the West rather than, the initial hearings be held in the West, rather than in the East.

I have not had time, as you will appreciate, sir, to communicate with the Premier of Nova Scotia to ascertain if it would be possible to have our case ready for presentation on the 23rd of May. And in any event, I would like to consult with him.

But I do make the suggestion, sir, that we would prefer that the initial meetings be held in the West rather than in the Maritime Provinces.

THE CHAIRMAN : Has anybody else anything to suggest about this?

MR. BRAZIER : Mr. Chairman, representing the other side of the country, in British Columbia unfortunately we have been engaged fairly continuously now for six or seven months in two different rate cases, and I feel quite certain it is going to be very difficult for us to be ready to proceed and present our brief by the 23rd of May.

And one other factor which I believe may affect our preparations is the possibility of a provincial election in British Columbia shortly after the date mentioned for sittings.

So while I don't want to take the opposite side to my learned friend Mr. Smith, I would prefer myself to start at the other end of the country.

MR. SMITH : I have heard rumors to the same effect in Nova Scotia, but I cannot speak with authority.

MR. McLEAN : There are rumors in Manitoba.

THE CHAIRMAN : I think we will have to abolish elections -- wars and rumors of wars.

Mr. MacPHERSON: I think when we remember that in the Press Gallery Saturday night there was a report of a Royal Commission brought down there -- that Parliament and Legislatures should be abolished --

THE CHAIRMAN: Oh -- what Commission was that?

Mr. MacPHERSON: That was a Royal Commission of the Press Gallery.

THE CHAIRMAN: Oh, I see -- composed of members?

Mr. MacPHERSON: Yes.

Then there is the other part of the country -- and that is the central portion.

THE CHAIRMAN: Yes, I was going to remind you of that.

Mr. MacPHERSON: Yes. I think the position there is that -- you will remember the rate enquiry, and in the rate enquiry the regional hearings commenced in the Maritimes and then came to the West.

Now, as to the itinerary which was suggested -- that is as to when and where the sittings should be held -- I think the suggestion that there be one meeting in each province is quite satisfactory, and I think it should be at the capital city of each Province. So far as Saskatchewan is concerned, if there was a regional hearing at Regina, that would be quite satisfactory to Saskatchewan.

As to the date, I think we want to take this position, that we are one of the Provinces that asked for a Royal Commission, and we do not want to impede or delay in any way the sittings of that Commission, but at the same time in the interests of what may be produced before the Commission, it is important that as much time as can be given

should be given for the purpose of presenting regional views to the Commission by various bodies in the Province.

Now in Saskatchewan I think I can state to you, sir, that there will probably be at least twenty different representations made by Boards of Trade -- the Pools and livestock people -- dairy people -- they will all be making representations -- as well as the Retail Merchants' Association, and other organizations such as that. They are working on them at the present time, and are doing a very considerable amount of work. There is a committee functioning in the province, that is assisting those various bodies in preparing the material -- that is being done. Now I do not know whether they would be ready by the 23rd of May or not, but in any event we would not want to delay or urge that the matter be delayed unduly. We have heard that there are probably elections in three other Provinces, but I do not think there is any such disturbing influence in Saskatchewan or Alberta this year.

Now in the matter of approach, Mr. Ilsley has referred to the fact that this should not be regarded as "litigation" in the ordinary sense, and I am in complete agreement with that. We just concluded last night a very long, and at times, bitter fight over freight rates -- and probably I was one of the bad boys in that particular fight ---

MR. CARSON: Hear, hear.

MR. MacPHERSON: Mr. Carson says, "hear, hear", but I want to frankly say that our approach to the matters before this Commission will be entirely different, and I hope

at no time will we be in the position of having one party regarded as the plaintiff or the appellant, and the other the defendant or the respondent. We are all trying, as Canadians, to arrive at solutions, and I think it is most important that there be cooperative effort between all parties concerned and that is the approach which I hope to see -- and personally, that is the approach which I feel like adopting -- and which I hope will be maintained throughout.

Now as to the presentation of provincial briefs, -- Mr. Ilsley has suggested that they be presented at the Capitals. Now I, with deference, suggest that it would be better to have the provincial briefs presented either at Ottawa or that it be left up to each province as to where they would prefer to present their provincial brief -- and I do that for this reason, that in the nature of things, there will be at least many views presented by the people of the provinces themselves representing various bodies, and the brief which is presented on behalf of the province itself, I suggest, should be presented after there has been the opportunity on the part of the provinces as such, first to assist in the preparation of those individual briefs, and then an opportunity given to consider the presentations which have been made by the provinces' own people, and which briefs will be presented no doubt at the regional hearings.

I think that I can say on behalf of the province of Saskatchewan, that they would prefer that the brief of our province should be presented at Ottawa.

In any event, there is this further angle, so far as the provincial brief is concerned -- there is a committee that is getting to work on it, and there are a number of university men who are engaged in connection with that work, and their time has been very fully taken up, and will be very fully taken up for another few weeks -- and the sort of brief that I know that you would get from Saskatchewan in May or early June, would not be as complete or as useful as one that might be presented later.

I can understand that in some provinces there might be a desire to present the brief at the Capital, but I would trust that it would not be made obligatory that the provincial brief be presented there, but that it might be presented later at Ottawa, after full opportunity had been given to read all the evidence that has been adduced and all the briefs which have been presented in the regional hearings -- and after also having had an opportunity of doing that which would be most useful, having in mind the terms of the Reference to the Commission.

THE CHAIRMAN: Then in that case, Mr. MacPherson, how do you look upon sittings in Regina -- what would be offered there?

MR. MACPHERSON: You would have, I think, at least twenty different organizations that would be presenting views to you in Regina. I would say that you would be there probably three days or four days, and I would say that you would get considered views from a cross-

section of the public of Saskatchewan -- the Boards of Trade of Regina, Saskatoon, Moose Jaw and the other associated Boards of Trade -- they are now working on this -- you would have the views of the agricultural people in their various branches in the province, and I think that there would be probably upwards of twenty presentations made there, and, as I have already said, work is being done on that at the present time.

THE CHAIRMAN: Do you wish to offer any comment on this, Mr. Ilsley?

HON. MR. ILSLEY: I do not think so. I think Mr. MacPherson has expressed the kind of views and the type of views which we would like to have from others present about these matters?

As I say, our feeling -- after thinking the whole matter over -- was that the provincial briefs should be presented at the Provincial Capitals and if that were done, it gets something substantial done at an early date -- otherwise you will have a great many representations made by organizations of one kind or another -- and then the Provinces are not heard from at all until perhaps the latter part of the summer or even in the Fall, here in Ottawa, and I think that that would be retarding the work of this Commission, and I think it might result in this, -- that the Commission would visit some Capitals and not hear anything at all -- and the public would say, "Well, what kind of a Commission is this -- what is it travelling for anyway -- what is it going to all this great expense for?" Because it might conceivably

be a fiasco in some places.

The enquiry is such that the provinces have something to say -- we know that they have. They have requested the Royal Commission and we know that we will hear something really relevant from the provinces -- now we have not that same assurance as to the general public. The general public, so far as I can see, is somewhat confused as to the functions of this Commission. They think it is perhaps another freight rates enquiry, and therefore, for those reasons, we thought that it should be understood at the outset that the Provinces would be heard -- it does put pressure, I suppose, to a certain extent, on the provinces to expedite their work of preparation, but perhaps that is not altogether undesirable.

MR. MACPHERSON: If I may say one more word, -- my thought is this, and I am not suggesting that it be obligatory on the Provinces to give the presentation of their briefs in Ottawa --

HON.MR. ILSLEY: Oh no.

MR. MACPHERSON: -- By the same token, I suggest that it be left to the Provinces to make their presentations at the Capitals, if they see fit to do so, but I am suggesting this, that if in any province it would appear that there are not those representations being made that would be useful -- then the Province itself might make its own presentation, speaking for all organizations concerned -- I would be as much against any abortive regional hearing as the Commission would be -- and I am only speaking again for my own province,

but I do suggest that in Saskatchewan, you will have sufficient by way of material presented that it cannot be considered in any way that it has been abortive. We have tried to make it clear to all organizations there, that in so far as this hearing is concerned, it is not a rate hearing -- it is not the sort of hearing where the railways are to be pilliored by them as public enemy No.1, and public enemy No.2 -- that is not the suggestion -- but it is a real effort on the part of those concerned with these matters to solve transportation problems which are vital to all parts of our country, and particularly to our own part of the country.

THE CHAIRMAN: Well now, can we hear from the other provinces?

MR. MCLEAN: Mr. Chairman, speaking for Manitoba, -- we are in this position, that our Legislature is still sitting -- but I am not advancing that as a reason why we should not get about doing some work on this matter, but our feeling is this -- that while we have certain general submissions -- that is principles -- which we might be prepared to discuss, there is a great deal of research work still to be done -- including data, probably, in some instances, which may possibly have to be gotten from the railways themselves -- and that sort of thing cannot be preparedin time to make a submission in May or early June. We could discuss general principles. We could discuss certain specific matters of legislation, but it does occur to me, --

subject to the one point which Mr. Ilsley made and I think it is a real point -- that you may have some abortive hearings in the provinces -- that if you had a preliminary meeting in Ottawa, it might very well provide a good deal of the preliminary material -- such a meeting would certainly outline the views that any province was going to take, and it would facilitate matters so far as the Commission staff is concerned, and so far as any further directions from the Commission might be concerned -- all those things could be cleared up at that particular meeting, but in my view it is beyond our capacity, with the staff that we have available -- and we have one or two experts, and we are recruiting one or two from the universities -- economic people, who will not be available until April sometime, so, as I say, we cannot possibly present our brief in May or in June, but we could certainly tell you, in respect to many points, what our views are on the matter -- now that is our positive position. But in addition to that certain positive position, I feel that Manitoba -- with respect to one or two things -- is rather in a defensive position -- and I am speaking not so much of the government, but I am speaking of the Boards of Trade and the City of Winnipeg -- they have taken a position -- and I feel that we should not be called upon -- so far as those bodies are concerned, to sort of meet a case which has not yet been made out -- although I am satisfied from the materials which you have had presented in the past, that we are going to have to meet certain of those cases presented

by those bodies.

THE CHAIRMAN: What do you mean by "being in a defensive position"?

MR. MCLEAN: Well, one thing which occurs especially to my mind, Mr. Chairman, is the matter of the "assumed mileage between Fort William and Winnipeg" -- that is something which no doubt Mr. MacPherson from Saskatchewan, and Mr. Frawley from Alberta will wish to have changed, possibly for the greater benefit of those other provinces, and that is something which the province of Manitoba and the City of Winnipeg particularly, is very concerned about -- always has been very concerned about, -- it has always been a point of attack.

So, consequently, so far as Winnipeg is concerned, it is going to be rather difficult to meet a case until you know precisely what the case is, that you are intended to meet -- which after all, I think, concerns mostly Manitoba and the two other Western provinces.

Now we are prepared, or will be prepared, to state generally our position in a relatively short time on the matters which have been referred to this Commission, but as to presenting a detailed brief, as to these many matters, and as to amendments to the Statutes which we think should be made, and with the supporting economic data on the other aspects -- I think that is going to be impossible in the time suggested.

THE CHAIRMAN: Then what is your idea as to a proper time?

MR. MCLEAN: Well, my own view is really with respect

to the complete submissions, sir, of the provinces at the Provincial Capitals -- frankly I do not feel that, in the time which the Commission can allot to regional hearings -- that any province could make that complete submission at its provincial Capital effectively -- that is the main point I am making.

THE CHAIRMAN: Then you are thinking about the same matter as suggested by Mr. MacPherson -- is that right? That we might sit in Winnipeg, but that the Province of Manitoba would not be ready to present its case there?

MR. MCLEAN: It would present something -- we could certainly present in broad outlines, our case, but certainly we would not have the supporting data which might be necessary to support that broad outline, because I for one, have not had an opportunity of preparing that data.

THE CHAIRMAN: How long after the sitting in Winnipeg would you require, do you think, to be able to have your complete case?

MR. MCLEAN: Well, on certain aspects of it --

THE CHAIRMAN: I suppose you might go further and say that it would have to be some time after the completion of all the regional hearings.

MR. MCLEAN: With respect to certain matters, yes. But with respect to other matters, they could be dealt with quite independently of what may occur in other provinces or quite independently of what might be said by other bodies -- but with respect to certain things which we anticipate will be put forward, we will certainly

have something in the nature of a reply.

THE CHAIRMAN: You see, if we begin in the East -- in the Maritime Provinces and Newfoundland -- all that will take some time, and it would be a considerable time later than that when we would be in the middle West.

MR. MACPHERSON: It is not going to make so very much difference, sir, because the time has to be taken anyway, and if the Provincial briefs are presented at the Capitals, they will take up that much time anyway, so whether it is taken there or here, it does not matter in my opinion, in the final analysis -- and my only view is that you will get more by way of substance and less that is only half baked, if it is done in that way, -- that is, my own only suggestion.

MR. MCLEAN: I think probably, Mr. Chairman, there is another point, and that is that Mr. MacPherson may not have the same difficulty that my experience with Manitoba has been -- with regional hearings -- and that is to get across to the people who are concerned, precisely the character of the hearing, and to get people sufficiently interested so that they will make submissions -- not simply to have a complaint, which they wish to air, and which of course they have every right to do -- and then let it go at that. Now I realize that it is a substantial difficulty which the Commission will have to face, and I say that we in the Provinces will do our best to bring that relevant material out -- but that is a difficulty which we have in the past had to

face -- we found that difficulty before in connection with the regional hearings of the Board of Transport Commissioners, so we will attempt to avoid getting this matter into a discussion of individual rates -- which clearly is beyond the competency of this Commission, and that is why we will be dealing with principles, and not with injustices of individual rates -- and that is something with which we are concerned.

THE CHAIRMAN: That is where you anticipate a case to be made against you by Alberta and Saskatchewan?

MR. MCLEAN: Not only that, -- and I will speak again as to that -- but we have had the attack made -- and we anticipate that an attack will be made on us, not only by way of the regional hearings, but by other briefs submitted, because in the past, we have had evidence in the briefs submitted in Alberta, not particularly in Saskatchewan, but in Alberta, whereby they were complaining about what they consider to be the favored position which Winnipeg occupies. Now undoubtedly that same attack will be made in the regional hearings, and I am also satisfied it will be made in the Provincial briefs -- I have no doubt that Mr. Frawley's experts have drawn up already some general principles which should be embodied in these hearings which may very substantially affect Manitoba's position, but as to what they are, I have no knowledge, as of the moment.

MR. MACPHERSON: Mr.Frawley has not told you?

MR. MCLEAN: Not yet.

MR. FRAWLEY: Speaking for the Province of Alberta,

Mr. Chairman, I had in mind that the purposes of the regional hearings would principally to take the Commission to the people of the country, and give the people of the country an opportunity to present their grievances -- grievances such as they are -- people who would not want to go to the expense of coming to a central hearing in Ottawa, and I would urge this upon the Board that, for the studied submission which Alberta would like to make, that the atmosphere of an Ottawa sittings would be much more suitable, and I think, Mr. Chairman, one must also look at it from the very practical standpoint that if you allot three or four days to Edmonton -- even perhaps four or five days -- and you have a lot of people presenting briefs of little consequence -- you will be waiting and waiting until what I might call the "studied submissions of Alberta" are ready to be presented, and one might find that it will not be until Thursday or Friday when Alberta would get an opportunity to put in its studied submission. When you operate on an itinerary, there will be a certain amount of watching the clock, and watching the calendar, and thinking of the next appointment -- and I say that seriously-- I think that is something more than an unimportant thought.

Now, in so far as the sittings in the Weat are concerned -- that is the sittings in Alberta are concerned, if, as Mr. Brazier has said, -- there would seem to be a practical reason for not starting in British Columbia -- I have certainly no desire to impede the work of the Commission, and I would be prepared to

say right now that the Commission can start in Alberta, but to me, what is far more important is, that you have a clear understanding of what you will receive in Alberta,

Now the Boards of Trade in Alberta are separately represented by able counsel. I am working with him,but he is making his own submission for the cities of Edmonton and Calgary, and for the Boards of Trade of Edmonton and Calgary. He is doing that on his own largely, although as I say, in close cooperation with me.

However, I will have a series of submissions to make to the Commission, but frankly I would urge most strongly and sincerely, that I be permitted to make those submissions in Ottawa, after the conclusion of the regional hearings.

I am afraid, Mr. Chairman, that there just will not be any chance of having my completed submission -- my series of economic and geographic advantages and disadvantages -- ready to be presented at the regional hearingsin either Calgary or Edmonton -- I would not like the Board to impose that obligation on me, but if you did, I would have to ask that you certainly not come there in May or June. However, I suggest that you might come there at the end of May or early in June, and hear just what comes out -- matters for which I cannot take a great deal of responsibility because while I will be presenting submissions on behalf of the province of Alberta, there will be farm organizations that will be presenting briefs, but who will not probably be doing

any more than telling me what they intend to present -- simply advising me of the fact that they intend to present, but not consulting with me.

Now I hope that these views are of some benefit to the Commission in helping the Commission to understand the situation in Alberta.

I had thought this,-to be specific about it,as it applies to Alberta - that the Province of Alberta presumably would make a submission which would bring out and indicate what Alberta thinks about the rate structure and about these economic and geographic disadvantages, but those submissions would not be what I have called a "studied submission" by people who have studied it, and who are prepared to stand up and be cross examined with respect to their submissions. Now those kinds of submissions I do not propose to make in Alberta. I thought there would be an advantage in making those submissions at a more -- shall I say -- leisurely series of hearings in the City of Ottawa.

THE CHAIRMAN: Do you think, as Mr. MacPherson thinks, in relation to Saskatchewan, that one sittings in Alberta would suffice?

MR. FRAWLEY: No. As to that, Mr. Chairman, I am always in a very peculiar situation. You know Alberta is the "Tale of Two Cities", and I cannot say, "We will sit in Edmonton and leave out Calgary". The two cities are so quite differently situated, and their interests so different -- that I would say that if Calgary wants a sitting, then I would have to ask the Commission to sit in Calgary as well. I cannot take the responsibility

of saying, "Sit in Edmonton and be done with it."

Saskatchewan may not be quite the same, but anyone who knows Alberta knows that the people of Calgary are not disposed to come up to Edmonton to make submissions.

MR. MACPHERSON: So far as Saskatchewan is concerned, that too is a "Tale of Two Cities", as you all well know, but they have learned to cooperate very well.

THE CHAIRMAN: That is good news.

MR. MACPHERSON: And Saskatoon, I think, is quite prepared to accept the view that I have presented to you -- that there be one sitting.

MR. MCLEAN: And one sittings will suffice in Manitoba.

THE CHAIRMAN: Perhaps while we are out West, we might hear from British Columbia.

MR. BRAZIER: I would urge that the principal sittings of the Commission be held in the City of Vancouver -- which is, of course, the main business centre of the province, -- probably a one day sittings in the Capital would be quite sufficient, because the great body of people who are going to be interested in the work of the Commission will be in Vancouver, and it would be much more convenient for them to present their views at the City of Vancouver.

THE CHAIRMAN: Then do you think that we should go to Victoria as well?

MR. BRAZIER: I do not think it is necessary, unless the Commission wishes to follow the pattern of sitting in each Capital.

THE CHAIRMAN: Then what do you think about the

provincial brief itself -- would that be presented in British Columbia, or here in Ottawa, at the end, as Mr. Frawley and Mr. MacPherson have suggested.

MR. BRAZIER: We would be prepared to present the views of the Provincial Government of the Province of British Columbia in the main at the regional hearing in Vancouver or Victoria, but we would like the privilege of supplementing the same at a later hearing in Ottawa.

THE CHAIRMAN: Then I do not recollect now whether you said anything earlier about whether you prefer us to begin our sittings in the Maritime Provinces?

MR. BRAZIER: We, in British Columbia, sir, would much prefer that, because, as you know, we have been engaged now for some considerable time on this other enquiry.

THE CHAIRMAN: Yes, I remember now, that you said that before.

Now we have heard from Manitoba, Saskatchewan, Alberta, British Columbia, and we have heard from Mr. Smith -- is there anybody else?

MR. SMITH: If it pleases you, Mr. Chairman, I only spoke on the first point mentioned in Mr. Ilsley's suggested agenda.

THE CHAIRMAN: Yes, that is right.

MR. SMITH: And perhaps I might be permitted to speak upon the point which has been raised by Provincial Counsel.

I still would adhere to the views which I expressed as to where the regional hearings should start, but I

think perhaps, when the regional hearings do start in the Maritime Provinces, that it might be preferable if the regional hearings in the Maritimes should commence at Halifax, and that there be a meeting in each of the capitals. I think that will be in accord with the views of Mr. Campbell and Mr. Barry who are representing the Provinces of Prince Edward Island and New Brunswick.

THE CHAIRMAN: I am sorry, to end in Halifax, or to begin -- did you say?

MR. SMITH: It really does not make much difference.

THE CHAIRMAN: That would be at Fredericton, Charlottetown and Halifax?

MR. SMITH: Yes, but it will be well, I think, to hold the sittings there, so that any bodies -- provincial bodies who wish to present submissions, might have the opportunity to make their presentations at their capitals.

Now I, speaking for the Maritimes Transportation Commission, and also for the Province of Nova Scotia, am more or less in accord with the views expressed by Mr. Ilsley, that there should be briefs presented at the Provincial hearings by the Governments.

Now in the nature of things, it is my view, that that brief would not be an exhaustive brief inasmuch as it will not and it cannot cover matters which may subsequently arise, nor cover arguments which may be advanced by other parts of this Dominion, and by the other Provinces, and therefore, I think, it would be fairer, if, in the final brief, which Mr. Ilsley suggests, the Provinces not only have the right to answer the

submissions which may have been made by other Provinces but also that they may have the privilege, by supplements to the brief which has already been presented, to cover points which may not have been covered either in the original submission of the province, as to any matters which are covered in the briefs from the other provinces. Now I think that that brief -- which could be submitted at the final meeting in Ottawa, should be one which is more comprehensive, and which might cover the whole submission on behalf of that particular province.

In so far as the Maritime Transportation Commission is concerned, it will be the aim of that body to consolidate, as much as possible, the views of the respective bodies, such as Boards of Trade and other bodies, who may make submissions, in order that duplication may be avoided, and in order that the time of the Commission may be saved.

I do not think that I have any more submissions to make, or any further suggestions that I wish to make in this regard.

MR. MacPHERSON : In case I may have been misunderstood my conception of the hearings is that certainly at the provincial Capitals there would be a statement by the Premier or by a member of the Government, which would set out the text, so to speak, that would be followed by the province but that while the text might be given at the Capital, the sermon would really be preached here. That is my conception of it.

And I feel this, that if the Provinces -- Mr. Brazier referred to supplemental briefs that might be filed -- and my view is that if there is one brief to be filed at the Provincial Capital and a supplemental brief filed here, that then you would find that the supplemental brief would be longer and larger than the original brief, and that if the outline, leaving it to the will of the province, but if the province sought to present in brief form its position at the regional hearing but its main submission to be made here, that it would save time and in the last analysis be best for all concerned.

THE CHAIRMAN : Now, have we heard from all the provinces?

MR. BARRY : Mr. Chairman, speaking for New Brunswick I can say we agree with what Mr. Ilsley has said except with regard to the place of starting.

It has been mentioned that most inquiries seem to start at the Maritimes, whether it is to get rid of the most vociferous section first or not, I don't know.

Our case is a positive one, it is not that we expect to be on the defence. But we would appreciate that it start in another section of the Dominion.

With regard to the presentation of briefs, we would prefer presenting them in the Capital and having them as complete as possible, but I think Mr. Ilsley mentioned that we would have an opportunity to present a supplemental one or a brief in reply in Ottawa afterwards, which would overcome any objections on our part.

We hoped there would not be too many presentations other than the presentation of the Province of New Brunswick, but there may be. But if possible we will deal with their presentations in the provincial brief.

Other than the place where the Commission will be starting its hearings, the procedure as outlined by Mr. Ilsley would generally agree with what we had in mind.

THE CHAIRMAN : What about Prince Edward Island?

MR. CAMPBELL : In connection with Prince Edward Island, I am in substantial agreement with what has been said by Mr. Smith and Mr. Barry, with the exception that I don't go along all the way with them.

Of course, Mr. Rand Matheson will be doing a lot of work and he has been a busy man, and he is here. I have consulted my Premier about the matter, and we rather feel that we would like to welcome the Commission as early in June as possible, that is a very nice time of the year in Prince Edward Island. We would like to have the Commission see Prince Edward Island at its best. And frankly from our point of view between the 1st and 10th of June.

However, I appear to be over-ruled in that by the other two Maritime Provinces, they prefer a later date. I bow to their mzjority.

HON. MR. ILSLEY : What has been suggested by most of the representatives of the Provinces is that the Province presents it main case in two installments, in addition of course to the right to reply to any other submissions that are made.

Now, that first installment is more in the nature of a statement of policy or statement of attitude. It would not be subjected to cross-examination. It does not lend itself much to investigation on the spot, as contemplated, at all.

I am not expressing any opinion about that proposal, but it does place upon counsel and others the obligation of addressing themselves three times to the provinial representations: Once when they make the first public statement, which would appear to me to have ve5y little purpose except to tell the public what the Government is going to advocate, what views the Government has, and secondly when the real case is presented, and then thirdly when the reply is presented.

MR. FRAWLEY : Mr. Chairman, as to the first statement, frankly I thought it would hardly be proper for a Commission of this stature to come into Alberta without the Premier of Alberta appearing before it and making a statement. Now, I would like him to say something more than simply some words of welcome, and it was because of that I thought it would be the time to make a general statement and I did not believe there would be much the railways would object to, that that would raise a controversy in any sense, but it would be indicating to them the kind of case we propose to present. But that

could be eliminated, frankly, and there would be good reason for not eliminating that, but in an effort to overcome objection on that point, I would almost be prepared to consider eliminating the statement then and get on with our substantive case for the first time at the later sittings.

MR. MacPHERSON : I think, Mr. Chairman, that this is true, that if you are going to have provincial briefs presented at the provincial Capitals with all the time that it may take for cross-examination on these briefs by other interested parties who may be before the Commission, that the result will be that it will be quite impossible to determine any itinerary at all. That is as I envisage it.

I think if you are going to -- for instance, the briefs may be long or may be short from the Provinces, but there may be issues raised in them which will of necessity mean exhaustive examination and cross-examination, and the result would be that any itinerary which you might now determine would be completely shot by the time you were at one or two Capitals.

MR. McLEAN : Mr. Chairman, if I may add one further word, it seems to me that on this question of provincial briefs that this is blended with the matter of procedure at the hearings, because obviously a brief presented by a province is going to consist of what is a matter of argument and with some supporting data. There may be witnesses called and there may be studies put in, but that raises the question of procedure.

Now, certainly, no one, between now and the middle of

June, can be in a position, as far as Manitoba is concerned, to be subjected to rigorous cross-examination on matters of detail and the matter arises on procedure whether or not when a province places its position on a matter of policy, with respect to the rights of the railways or any other provincial counsel, is some provincial Premier who is going to read the brief going to be subject to cross-examination, or is that a matter of argument?

We have had that difficulty before, as to whether or not counsel prepares a brief which is accepted, embodying ideas of the provincial government, and the provincial Premier presents the brief, is the provincial Premier then going to be subject to cross-examination on what is a matter of argument?

I think the extent, and what can be done, is going to be determined largely by the matter of procedure. Mr. Ilsley has suggested that there may be lengthy cross-examination on briefs. I can understand cross-examination on a matter of a brief which was a matter of evidence or a matter of opinion evidence, but surely when it comes to a matter of a brief, that is not a matter of a witness giving evidence, and how are you going to separate them?

I suppose that any preliminary brief that we would present would be in the nature of a pleading or the nature of our case, which would subsequently be followed by submissions which would consist of economic studies, much of which may have to come from the railways or American studies.

MR. MacPHERSON : That is one of the difficulties, I think lawyers are often accused of taking up time, and I think I can rank economists with them, without casting

any reflection on economists as such, and they must surely enter into this picture. The briefs would be such that we could not say how long or how short they might be.

MR. EVANS : Might I, Mr. Chairman, in this connection suggest that much of the difficulty that has arisen in the discussion this morning is that until the submissions are made it seems to me almost impossible that you can fix upon an itinerary. And my thought would be that the parties should make submissions or exchange submissions and then, having regard to what issues were raised, the Commission might perhaps have a better idea as to what time was to be taken in any particular sittings or whether that particular issue should be heard.

I only put that forward in an attempt to solve some of these seemingly impossible problems.

MR. MacPHERSON : So far as Saskatchewan is concerned the Commission will have by the 15th of April as you requested, an outline in a form which will be a sort of statement on the matter. It will not be a brief, but it will simply be an outline of the position taken on various points. And that will be available to Mr. Evans or anyone else.

THE CHAIRMAN : Had we better hear from the Railways?

HON. MR. ILSLEY : I was going to suggest that.

MR. MacMILLAN : On behalf of the Canadian National Railways, and this is a matter that primarily concerns the Province itself of course, but in response to their representations, it seems to me that their difficulty lies largely in the shortness of time that is

available to them before the proposed commencement date. And much of the difficulty that has been discussed would disappear if the date were set back.

We, I do not think, have any reason to prefer the Maritimes rather than British Columbia as a place of beginning. It does not make any difference to us which one it is. But I think that on the question of the main provincial briefs we would prefer that they would be heard here or in some central part of Canada. If that is done it will be much simpler for us to have available, to hear the presentation of the briefs, more personnel than it would be if we had to take them to each provincial capital in turn.

THE CHAIRMAN : Have you in mind now briefs prepared by expert witnesses, as you might call them, economists and people of that sort?

MR. MacMILLAN : Yes, I had in mind at that moment the formal sermon that Mr. MacPherson referred to a little while ago.

MR. EVANS : I may say for the Canadian Pacific that I would subscribe to that. In addition to what I said previously about the difficulty I saw in determining an itinerary, when you saw what the nature of the submission might be, where those submissions would be heard.

MR. MacMILLAN : I wonder if we could make any progress, and this is just an attempt to be helpful, if we ascertain from the Provinces when their formal brief might be available, it might give a lead.

HON. MR. ILSLEY : That was my point No.2, what arrangement could be made about delivery of briefs and

exchange of briefs and within what time.

Now, the Commission wrote to the Provinces and to the Railways and to a number of other organizations asking them to submit, make their submissions on or before the 15th day of April, and it was understood that those could be supported later by further representations. Perhaps we should enquire whether the Provinces will all make submissions of some kind before the 15th of April.

MR. MacPHERSON : As I have said, Mr. Ilsley, you will have from Saskatchewan an outline of about seven or eight or ten pages, which will be a sort of statement of principle, but will not be extensive.

HON. MR. ILSLEY : Yes.

THE CHAIRMAN : Let us put it this way: The Provinces asked for this Commission, the seven Provinces, and they represented to the Dominion Government that by reason of certain economic, geographic and other disadvantages, each of them was suffering in some respect. So I, for one, thought at the beginning it was a good thing to ask the Provinces to particularize that, each one in its own case, what region within the province, or perhaps the whole province, the entire province is suffering some disadvantage, economic or other.

Now, I was hopeful then that these first briefs that would come in would tell us, "Here is the case for British Columbia, for instance, here is our disadvantage or disadvantages." "Here is the case of Saskatchewan", and the case of Prince Edward Island and so on. Could we get that far?

MR. MacPHERSON : We can do that, sir.

MR. McLEAN : There is no difficulty about that.

THE CHAIRMAN : Well, it seems to me that is a beginning.

MR. MacPHERSON : I think what we will have for you, sir, will outline the points, but the supporting evidence will be put in later.

THE CHAIRMAN : You say by reason of these disadvantages, economic or geographic and other disadvantages, you are adversely affected by transportation difficulties and by certain anomalies which are said to be found in the existing tariffs of tolls and rates. Now, I was anxious to get from you in the first instance just what your case in each province was, and the sooner we get that I think the better.

MR. MacPHERSON : You will have that outline from us by the 15th of the month.

THE CHAIRMAN : Can we expect that from all of the provinces then?

MR. BRAZIER : I am afraid, Mr. Chairman, ours is going to be deferred slightly beyond that, but I would say within a week or ten days we will have ours in shape.

MR. SMITH : Speaking for the Maritime Provinces and the Maritime Transportation Commission and the Province of Nova Scotia, we propose having a meeting on the 21st of April, and I don't think we will be in a position perhaps until on or before the 1st of May to submit our preliminary submissions in respect of the matters referred to here by you, Mr. Chairman. That would be merely a preliminary brief.

MR. FRAWLEY : Alberta has already requested that it

be given until the 1st of May to put in that brief outline. It is largely a personal matter. I have been very much engaged in a rate case that has taken pretty well all my time and I will not see my experts for another ten days, and so I think the 1st of May will be the earliest I can get mine in, but I would think I would simply have to ask the Commission's indulgence in that respect for an extra ten days or two weeks.

MR. BARRY : For New Brunswick the 1st of May would be satisfactory.

THE CHAIRMAN : What date did you say ?

MR. BARRY : The 1st of May for New Brunswick would be satisfactory. It is not that we have not endeavoured to do it, but we have endeavoured to arrange a meeting for the last six weeks, but because the Legislature has been meeting it has been impossible to get certain matters of policy settled prior to that meeting, and we hope to have it, as Mr. Smith said, we have set it for the 21st of April. And we will be in a position by the next ten days to have that document as an outline.

MR. CAMPBELL : In Prince Edward Island, Mr. Chairman, we were hopeful that we might have the time perhaps extended to the 1st of May, not later than the 1st of May, with sittings not earlier than the 1st of June.

MR. CARSON : Mr. Chairman and Mr. Ilsley, speaking on behalf of the Canadian Pacific Railway, the proposal made in the discussion as to having these briefs filed appeals to us very much. It seems to me that was the orderly way, in the first instance, to point up the issues to be considered. I inferred from what has been said that

possibly we will not have all the provincial briefs much before the 1st of May or early in May. And then as I gather, those briefs that are now being considered will be rather in the nature of pleadings or an outline of the position that will respectively be taken.

Then, naturally, so far as the Canadian Pacific is concerned it would require a reasonable time to consider those questions as they are raised, and it is prepared to develop, to participate in those questions, by putting in an outline brief inanswer to the outline briefs that are presented by the Provinces.

MR. MacPHERSON : Now, Mr. Chairman, that is one of the things personally I want to get away from. If we are going to get into that position of answering, putting in a claim and answering it, and then you are going to get into a position of plaintiff and defendant, you are going to get into a position that most earnestly and sincerely I want to avoid. I want to avoid anything of that nature, no one wants that particularly.

THE CHAIRMAN : Quite right.

MR. MacPHERSON : And I suggest this question that was asked as to the Provinces filing briefs, I am wondering from what Mr. Carson said whether the C.P.R. is filing an outline in the same way as we are being asked to file it, and I think it would be unfortunate if we are getting into a position where we are going to have a statement of claim, defence and reply and that sort of thing, because that will put us in the immediate position of being litigants. And my hope is, and it is my sincere hope, that we can avoid the litigious atmosphere that we have had, and perhaps

was a natural thing in the rate cases.

MR. FRAWLEY : Speaking for Alberta, I would not be disposed, unless I was directed by the Commission, to even file with the railways the submission, the preliminary submission which I propose to file as to the disadvantages of Alberta, unless I had at the same time the views of the railways with respect to those same grievances. I mean they are well known, one cannot avoid calling them controversial, there is just not any doubt about that. Perhaps I should not read that out of Mr. Carson's remarks, but I would not be disposed to tell him what I have to say about grievance (a) unless I had on the same date what he thought about grievance (a).

THE CHAIRMAN : Would you have any objection to telling Mr. Ilsley what grievance (a) was?

MR. FRAWLEY : No question about that.

MR. MacMILLAN : I think the railways' position in this matter is simply this: They are the bodies in Canada best able to help the Commission in the solution of these problems. They have lived with them for generations. We may not know the solution but we do in most instances have an intimate knowledge of the condition.

It is utterly impossible for the Canadian National to file a brief that will be constructive unless we know the facts that Mr. Frawley is complaining about, the conditions that he wishes the Commission to consider. We can prepare a brief, but it necessarily mut be defensive until we know what matters are going to be considered and the assistence that we can render the Commission in seeking a solution of them.

After all, all that we know about the Royal Commission

we gleaned largely from the newspapers. The Provinces applied for a Commission and they made allegations at that time. We are here to help, but we must know about what we are going to deal with, before we can deal with it in an intelligent manner.

MR. MacPHERSON : Of course, there is another angle too. The very intimacy the railways have had with these problems would indicate that they have a special knowledge of the problems, and that if we are filing original outlines, then they, with their intimate and special knowledge of these problems, might file a statement as well which would be most helpful to us. Because they are, as we are, concerned with the solution of these problems, and they, as we, know that these problems exist. I don't want to put the railways in an impossible position but by the same token I don't think we should be put in an impossible position. And I think it would be helpful, they know the problems more intimately than we do, because, as Mr. MacMillan has said, they have been living with them and working with them, and consequently it would be most helpful to us to have the railways' angle on these problems which are notorious and which are well known.

MR. McLEAN : Mr. Chairman, I think looking at the powers of the Commission, if we excluded even (a) for a moment --

THE CHAIRMAN : Beg your pardon?

MR. McLEAN : Looking at the terms of reference for a moment, (a) perhaps is primarily a provincial matter, but if one turns to (b) (c) (d) (e) and possibly (f)

of the terms of reference, those are matters upon which the railways must have very decided views.

Obviously the Commission, by the terms of reference, must, for example, review the capital structure of the Canadian National Railways. Obviously the Canadian National Railways have very decided views on that matter. Mr. Vaughan in the Freight Rates Case expressed views. It seems to me that --

MR. MacMILLAN : My views.

MR. McLEAN : That is something that might be put forward.

And looking again at (e), the matter of the results achieved under the C.N.-C.P. Act is something which the railways might very well at this stage, and concurrently with any submission or any briefs that the Provinces file, put forward their point of view with respect to this particular term of reference.

And then (f), after all we are advised that there are some upwards of two million tariffs filed, and there are approximately 37,000 amendments a year filed to tariffs. They must have some thoughts as to the propriety of the procedure that is being followed and the possibility of simplification.

It seems to me there are matters, even if one excludes (a), which is probably primarily provincial, that the railways must have something to say on (b) to (f) inclusive.

MR. MacMILLAN : The Canadian National, Mr. Chairman, has definitely something to say on its own behalf in respect of certain of the matters in the terms of

reference, but I think that we render the greatest service to the Commission if we make a comprehensive presentation at one time rather than making a submission on a given part of the Order in Council, and subsequently coming along and dealing with various other features that arise.

Certainly, the question of our fixed charges is something that interests us greatly and upon which we will have quite a bit to say, but I should not think that your work is made any easier by us dealing with these things piecemeal.

MR. FRAWLEY : Mr. Chairman, I think there is another reason why the railways should be heard from at an early stage. I am sure that the railways have some idea as to what is wrong, if anything, with the Canadian freight structure. I would think they have some constructive suggestions to make, voluntarily perhaps, to remedy some of the things about which we have complained.

Now, there is the very practical situation there: Are we to go ahead spending time and money preparing a statement with regard to certain economic and geographic disadvantages and then find that the railways have already formulated plans, perhaps even as early as now, formulated plans which would envisage the removal of that particular grievance on a voluntary basis without any direction from the Commission? That is a matter I might say that I have been giving some thought to from time to time, should Alberta be spending time and money in preparing a case if the Railways are prepared to make a constructive submission , when, in their view, subject to what the Commission thinks, the grievance should be eliminated?

THE CHAIRMAN : How are you going to assume that the railways know what you have in mind?

MR. FRAWLEY : I was always of the opinion that this statement of ours should be filed quickly and made available to the railways, perhaps as a matter of course, I think that could not be denied.

THE CHAIRMAN : As you get down to these enumerations, of course then they particularize. For instance, enumeration (c) refers wholly to the Canadian National Railway Company. "Review the capital structure of the Canadian National Railway Company" and so on.

On the other hand, the main parts of the Order in Council refer to the representations made to the government by certain regions in Canada which are in an unsatisfactory position because of disadvantages that you have, and that those disadvantages are reflected in your freight rates.

MR. FRAWLEY : Yes sir, we did make representations with respect to these matters, that in our view the accounting methods perhaps could be improved, and that the capital structure of the Canadian National perhaps could be improved. Those were included in the representations we made to the Cabinet - and co-operation under the Canadian Pacific and Canadian National Act.

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MR. MACPHERSON: For instance, I have in mind one point in the application which we finished yesterday -- the 20% Application -- in paragraph 18 I think it was of that Application, the Railway Association indicated that they were preparing a plan which would eliminate one of the difficulties -- the East-West level.

Now the railways, in their submissions to this Commission, might very well indicate something of that plan, because that, in itself, would eliminate one of the grievances which is alleged on the part of the Western provinces, and might save a tremendous amount of time not only of the Commission itself, but of the Provinces as well, in preparing data in connection with it.

MR. O'DONNELL: If I may say a word, and associate myself with what Mr. MacMillan said in the matter, and I think his observation was quite correct, that the provinces, having asked for the Commission, on the grounds that there were certain grievances, should now state in a concise way, what those grievances are -- that will point out, as Mr. Carson says, what the complaint is, and will allow the Railway officers then to be as helpful as possible.

Now the Railway officials could write briefs on any kind of subject which affected Railway matters in Canada, but that would not be any contribution unless, as Mr. MacMillan says, we know what explanation the Commission might want, or what the Provinces might want to know with respect to those grievances. We haveheard different people say that there were matters which

required attention, but I say, for this particular enquiry, those matters should be pointed out, so that the railways may be as helpful as possible in putting forward what their view is with respect to the alleged grievances -- by way of constructive suggestions or by way of explanations, or otherwise, but to suggest that the railway officials sit down and write a series of briefs or compositions in connection with various matters which may or may not be necessarily the things that our friends are pointing to, would not, in my submission, be of much assistance, and I think your suggestion is a good one -- and I agree also with Mr. MacPherson -- that we should not approach this matter from the point of view of litigants, but we should know what the case is that those who asked for the Commission have to present, so that we may expedite the hearings by evidence or by explanations at the earliest time that we can get these things together, in order to permit dealing with it at the earliest time possible.

MR. EVANS: My idea as to what Mr. O'Donnell has said, and speaking particularly for the Canadian Pacific Railway Company, and this was later taken up by Mr. MacPherson -- they have spoken of what they called a "voluntary plan" that might be presented, and Mr.MacPherson particularly referred to a suggestion in the recent application before the Transport Board, of a plan for the removal of some of these grievances as to what the railways presented in their evidence before that Board -- and referring to suggestions that they were proposing to make to the Board of Transport Com-

missioners in the general Freight Rates Enquiry which that Board was undertzking under another Order in Council -- I may say for your information, sir, that the Board of Transport Commissioners -- having regard to the kind of grievances involved in the East-West differences, so-called, and similar differences in the rate structure, have fixed upon four test-days -- covering a day in each quarter of the year. Two of those days have now passed, and on those two days the railways undertook to obtain from every way-bill in respect of each bit of traffic moving on that day, the nature of the movement -- the tariffs under which it moved -- the distance it moved -- and all particulars in relation to it, and it was with that in mind that any proposal that we might have for ameliorating some of these rate grievances would depend, but that is a subject which, in my respectful submission, is quite properly a subject for the Board of Transport Commissioners, and with regard to it -- if I may say so with respect, to my friends, -- no representations whatever have been made to the Board.

I do think the Commission ought to have that in mind that we would not -- I would hope -- be asking in these proceedings to go into a subject which we felt would depend upon the activities of the Board of Transport Commissioners, and would depend upon the results of their studies of the movements of those four days, and the extent to which we would voluntarily go, would depend upon the knowledge which we would gain from those test-days and the results of the investigation which the Board has

undertaken to make.

Then with regard to the other question -- the suggestion made this morning, and which I take at its face value -- I might say that it is our desire also to avoid any litigous aspect in connection with this inquiry, and perhaps that might be considered from this angle -- we are most anxious to avoid any litigous aspects as to procedure, but I do suggest most respectfully that if there is a tendency to spar as between parties as to the disclosures of the positions that they are to take -- such as Mr. Frawley has suggested might be the case -- and I do not propose to tell my friends what kind of story I am going to present -- then I say there is the wedge to invite a feeling on the part of the railways that they too must hold back, and I do suggest that that is one way to promote that very litigous aspect which my friends have said ought to be avoided and which I agree ought to be avoided.

HON.MR. ILSLEY: Well a point -- a small point -- with regard to that, is this:

Whether it is satisfactory for the railways to wait until they see these preliminary briefs which will be in by May 1st, before they submit theirs.

I thought at first that Mr. MacPherson and Mr. Frawley objected to that course of procedure, but later I felt possibly they did not.

MR. MACPHERSON: I am not objecting, Mr.Ilsley,but what I am objecting to is the danger of our getting into a position of litigation.

HON. MR.ILSLEY:: Yes.

MR. MACPHERSON: Of course if we have to, we have to, but I feel that if we can avoid it, we should avoid it.

THE CHAIRMAN: What you have in mind is the piling up of briefs and counter-briefs.

MR. MACPHERSON: That is one of the things.

If I may say so, I think that there should be an efford made -- while we should not be in the position of litigants at any stage of these proceedings -- yet I think there might be recognized a position where there are a sort of two camps -- there is the provinces and there is the railways -- all equally concerned with the solution of these problems -- not as litigants -- but if we could in a way work together behind the scenes in greater meanure than we did in the Freight Rates Case, I feel it would be desirable not only from the standpoint of this Commission's work, but from the standpoint of the country as well.

THE CHAIRMAN: And that would mean then the divulging of your thoughts to one another?

MR. MACPHERSON: Yes, that there should be cooperation not only here but outside.

MR. MACMILLAN: We are thoroughly in accord with that. We are quite prepared to discuss any of these matters with the provinces at any time, but our point is that we cannot intelligently deal with something until we know with what we have to deal.

HON. MR. ILSLEY: I would think it would not be unreasonable for the railways to delay presentation of their briefs until they see the briefs of the provinces.

MR. MACPHERSON: But, by the same token, -- before we have finished the preparation of our final brief and before it is presented for submission to the Commission, we should see what the Railways have to say, too.

HON. MR. ILSLEY: Yes.

MR. MACPHERSON: Then I think if our briefs are to be in, or our outlines of points are to be in by the first of May, then the railways should have theirs in by the 15th of May.

THE CHAIRMAN: Having seen yours.

MR. MACPHERSON: Having seen ours, but in any event, I think before we can reasonably endeavour to avoid the pitfalls of a litigious position -- if we are going to do that -- then we have to have before us the submissions of the railways.

THE CHAIRMAN: Well, when?

MR. MACPHERSON: I would say by the 15th of May. If we get ours in by the first of May, they should file an outline in the same way that we do, by the 15th of May.

MR. MACMILLAN: Mr.Chairman, the Canadian National Railways -- and I am sure the Canadian Pacific Railway -- have every desire to help in every way they can, but two weeks and after all, there is not two weeks -- at the maximum it is only eleven days during which time we have to receive from the Commission and to consider and to answer seven briefs, -- which gives us less than one day per brief -- per provincial brief -- and I would respectfully submit that we cannot do it, -- we cannot intelligently ascertain the facts and compile an outline-answer to the provincial submissions in two weeks, --

between the first of May and the 15th of May.

HON. MR. ILSLEY: Mr. MacMillan, you know pretty well now what you are going to say.

MR. MACMILLAN: In some cases yes, Mr. Ilsley, but in other cases, no -- frankly we do not.

For instance, Mr. MacPherson or Mr. McLean mentioned the "assumed mileage" question. Now the railways know all about the "assumed mileage", but we do not know what position Mr. MacPherson is going to take on it, and we do not know how best we can help the Commission in dealing with his submission, or with Mr. Frawley's submission, or with the submission on behalf of the Province of British Columbia. We do know the position of the city of Winnipeg, because that is traditional.

MR. MACPHERSON: Just on that point, Mr. MacMillan -- my thought is that the provinces should deal with the broader outline. Of course there are going to be fights between Boards of Trade individually, but that can be carried on by themselves, apart from the provinces -- and that is the feeling which we have particularly as to that.

MR. CARSON: Mr.MacPherson, there is a suggestion of the provinces that they cannot have their briefs in before the first of May -- we know how busy you and your colleagues have been for the last few months, and we are sympathetic with your desire that you be given sufficient time to prepare your outline, and we were hoping that you would be equally sympathetic to the railways, because you know too, how busy we have been.

MR. MACPHERSON: I know.

MR. CARSON: And the 15th of May would be putting too

much pressure on us, and I would hope our friends, on the other side, would cooperate and give us a reasonable time to have these briefs prepared.

THE CHAIRMAN: Then what date would you say would be a reasonable time?

MR. CARSON: I would think the first of June would be a reasonable time --so far as the Canadian Pacific Railway is concerned, anyway.

MR. MACMILLAN: And that would be quite agreeable to us.

MR. MACPHERSON: Well, I would not want to take an unreasonable position in connection with this matter at all.

THE CHAIRMAN: No.

MR. MACPHERSON: And the only thing that I can think of in this connection is with that extension for the delivery of the briefs, it might delay the sittings of the Commission.

THE CHAIRMAN: That of course, is our outlook.

MR. MACPHERSON: Yes.

MR. MCLEAN: I assume then, Mr. Chairman, that if by chance, these dates are fixed for the filing of the provincial briefs of the preliminary points that before an attempt is made to restablish an itinerary and before we go on to the detailed work, of preparation, that there might be a conference called comparable to this one, where the parties might have before them the respective submissions -- and I am not talking only from a strictly legal sense, but the question could be raised as to who would be expected to get out the data that would

be required and as to how the matter should be approached.

THE CHAIRMAN: Have you in mind another conference in Ottawa?

MR. MACLEAN: Yes, and I would suggest that it might be in connection with the openings of the sittings.

THE CHAIRMAN: Before we start off?

MR. MCLEAN: Before the Commission starts off. It could be informal if it suits the Commission -- it is immaterial whether it is formal or informal.

MR. MACMILLAN: I think we could make more progress if we had it around the table, just like we are having this one today, Mr. Chairman.

MR. CARSON: We are in accord with the suggestion that there should be another conference, particularly if it could be held around the table and in this happy atmosphere, because we have not had such a pleasant atmosphere since we started this.

MR. MACMILLAN: No.

MR. O'DONNELL: And that was Mr. Ilsley's sixth point.

HON.MR.ILSLEY: Yes, and I want to go on with that question of a public session, but that is not what we are talking about now.

Is it the idea of those who have just spoken that this conference should not take place until after the first of June, because I do not see any necessity for so great a delay myself.

MR. CARSON: What Mr. McLean has in mind, I think, is the time for the conference.

MR.MCLEAN: The data would be necessarily incomplete,

before that time. We probably will have the outline of our points in long before the first of May. We are going to do our best, and undoubtedly many of our points can be answered, possibly in the first fifteen days after that, but the question is whether they can all be answered, and whether we will not be dealing with it piece-meal until these plans and the rates are all in.

MR. FRAWLEY: I am frankly a little confused by what you mean, Mr. McLean, by "answers". I thought that we would be filing our briefs on the points, and that then the railways would file something of the same general nature.

MR. MCLEAN: Well, it is obviously going to be an answer in part -- and concrete submissions -- as to the points of the provinces.

MR. MACPHERSON: Well, I would hope that their submissions would not take the form of being mere denials of affirmatives which we should make.

THE CHAIRMAN: There would be nothing gained by anything of that sort.

MR. CARSON: No, and that is not in our minds at all.

MR. MACMILLAN: There are some of these features, Mr. Chairman, as to which the railways themselves do not have fixed views, so it is really for the provinces to make individual submissions, and for you, sir, to decide what is to be done. As to some of those matters the railways could answer them in five minutes, and they could say now, from the railway point of view, it is quite immaterial which way it is done, and we may not have any preference in favour of one or the other, so there need

be no delay whatever in dealing with these things.

MR. CAMPBELL: My lord, if I might make a suggestion, my learned friends, possibly on both sides of the table, are somewhat close to the suggestion you made, and from an unbiased view of the entire situation, -- the remarks within the last few minutes seem to me, as an outsider but who has been following the proceedings carefully in the last two rate hearings, it seems to me that they indicate that this is a case where the provinces should file a brief on the one side and the railways could file briefs on the other side, and we must not forget, my lord, that this Commission is not one on freight rates, but it is a commission on "transportation".

Now there are various points as to transportation -- that is we could have briefs only from the railways --

THE CHAIRMAN: Just what was that again?

MR. CAMPBELL: There are various points on transportation.

THE CHAIRMAN: Oh yes.

MR. CAMPBELL: What I have in mind is, are we to have briefs only from the railways, or are we to have them from, for instance, trucking organizations?

We in the Maritimes are no longer three provinces -- we are now four provinces -- and although I have no instructions to act for Newfoundland, I would say that one of the principal forms of transportation in the Maritimes is of course transportation by water. Now, are we to hear from the water people? Because the transporting of goods between our province and Newfoundland, for instance, is by water, and I just mention this in passing,

Mr.Chairman.

THE CHAIRMAN: Yes, and I am glad you did.

MR. CAMPBELL: I did not like it to appear that it is just the railways of the province who are interested.

MR. MACMILLAN: Now Mr. Chairman, that highlights another feature which makes it difficult for the Canadian National Railways to meet on May 15th. On the first of April we became entrusted with the Newfoundland Railway, and we also now have the Steamship Service. What actually is there we do not really know yet, and we do not know too much about the coordination of the two services, and it will take us a little time to study that situation and reach a conclusion as to ways and means by which we think it might be improved upon, so I would think that June first is really the earliest date that we can give you anything really helpful on this matter.

THE CHAIRMAN: June the first you say?

MR. CAMPBELL: Yes.

MR. MACPHERSON: To satisfy Mr. Campbell, I think we should say that the hatchet was buried last night in a very pleasant manner, and in that connection, that the most cooperative spirit now prevails.

MR. EVANS: As a matter of fact, you forgave us, Mr. MacPherson.

MR. MACPHERSON: Yes, you are forgiven.

HON. MR. ILSLEY: Then if the views expressed are generally accepted, the real argument will take place at the end of the regional hearings, here in Ottawa.

MR. MACMILLAN: That seems to be the suggestion.

HON. MR. ILSLEY: Yes, if the views expressed are

accepted.

MR. CARSON: Yes, and I think we are pretty well all agreed on that.

HON. MR. ILSLEY: Then if that is the case, cannot we start our sittings earlier, because that means that the representations made in final form on the regional hearings, will be representations by organizations other than the provincial governments and the railways -- now is there any reason why the sittings of the Commission should be delayed because it creates a bad impression for a Royal Commission to be appointed -- as this was -- in December, I think, and then for it just to sit around so far as the public can see, and do nothing until the Fall or at least until the middle of summer, -- and is there any reason why we cannot clean up these representations which we will be getting from outside organizations -- that is give public notice of the hearings to those organizations -- all those that we thought were interested have been notified to submit their briefs by the 15th of April -- just as the railways and the provinces were notified -- and is there any reason why we cannot begin in the latter part of May, just as we had anticipated -- even though the railway briefs -- the railway outlines or the provincial briefs or outlines -- will not be in until around the first of June.

MR. CARSON: The only thing on that, Mr. Ilsley, that occurs to me is this, that those who will be putting forward those briefs -- in the railway organizations at least -- will be busily engaged in doing this constructive work in preparation for their outlines.

HON. MR. ILSLEY: Yes.

MR. CARSON: I mean, if the regional hearings commenced at some earlier date, it would, in effect, take some time off the time necessary for preparing those outlines.

HON. MR. ILSLEY: It would not be until the first week of May, and I think you would have your briefs pretty well in hand by that time.

MR. MACPHERSON: So far as we are concerned, we are completely in the hands of the Commission, and we would be prepared to proceed at that time.

MR. CARSON: From what has been said about the wishes of the various provinces and the different reasons which have been given why the end of May is the very earliest date that they would not object perhaps to the hearings commencing -- I would suggest that they commence some time in June, if that suits the Commission.

MR. MACPHERSON: And that would be agreeable to us.

MR. MCLEAN: And that would be only about ten days' delay over and above the suggested date.

HON. MR. ILSLEY: I do not think that anything which will be said at the regional hearings will depend much on the briefs to be presented by the railways, because the Railways are going to follow that brief up, and the provinces are going to follow their briefs up with more exhaustive briefs later, and there is going to be an argument much later, so why cannot we go on earlier?

MR. MACPHERSON: We are going to try out a democratic process late in April, but at the same time, we are going to try, in Saskatchewan, as much as possible, to have

anything that is to be presented to the Commission as useful as possible, and there may be suggestions in the railways' briefs that might eliminate something that might be said in these briefs of ours.

MR. CARSON: There is this suggestion -- if the time is fixed for the end of May for the filing of the Railway's brief, and then you tentatively fix to commence within a day or two of that, it is really only delaying the hearings a week.

HON. MR. ILSLEY: The trouble is, Mr. Carson, that we had in mind that we should start at the latest around the 23rd of May, and if we extend it further than the 23rd of May, -- well, we thought that was about the ultimate limit when we should start.

MR. CARSON: It is just in the light then of what we have heard this morning -- we have heard that these earlier dates were embarrassing to the parties concerned.

HON. MR. ILSLEY: I do not know what the members of the Commission will think about this point -- that is about having the substantial arguments from the provinces or the briefs of the provinces submitted at Ottawa.

THE CHAIRMAN: At the end of the hearings.

HON. MR. ILSLEY: At the end of the regional hearings -- that is something that I am not qualified to agree to -- that I have no authority to agree to -- that is something that you perhaps will want to discuss with your fellow Commissioners.

THE CHAIRMAN: Of course.

HON. MR. ILSLEY: But that seems to be the general view here, and I was trying to work out a procedure that

would be acceptable to all -- and could we not -- even if that view is accepted, could we not start these regional hearings about the 23rd of May? That is my point here. Now Mr. Carson raised the objection from the railways -- not very forcibly, perhaps -- but he raised the objection that the railways will be engaged during May -- all through May -- in getting their answers ready.

MR. FRAWLEY: Mr. Ilsley, if the railways, after they receive our brief of points, and make a reply and the public have an opportunity of considering that, that might influence the nature of the evidence to be presented at the regional hearings.

Now going back to the East-West -- Mr. Evans takes the position that that is not for this Commission, but I might say that unless we are directed otherwise we propose to show that the East-West is a matter of concern. If it might be that the railways are prepared to not challenge that very seriously, that might influence greatly also the nature of the evidence of the proposed submissions of the farm organizations out there, for instance, that might want to say something about that.

MR. MACPHERSON: And that is my point also.

MR. EVANS: Perhaps I should say this -- I would not want to leave it quite as Mr. Frawley left it -- I did not suggest that this Commission should not discuss for instance economic and geographic advantages or disadvantages. But what I meant to suggest was that any suggestions which we had to make for the equalization of certain rates would be as to specific questions relating to rates, a study as to which we had undertaken to make and which now we would

be obliged to make, in the light of the information developed by the Board.

I did not suggest that we take any such position that geographic disadvantages as such should not be considered.

MR. FRAWLEY: Well, I think that they are very closely bound up together.

THE CHAIRMAN: But you see we must, as Commissioners, pay very careful attention to the terms of the Commission, and as I mentioned a while ago, they begin by saying:

> "It has been represented to the government that, by reason of economic, geographic, and other disadvantages, certain regions of Canada are adversely affected by transportation difficulties."

Now that is very general:

> "And by certain anomalies which are said to be found in the existing tariffs of tolls and rates".

Now we cannot get away from that -- that is part and parcel of the one question there, and then it goes on and says that:

> "The Committee has come to the conclusion that it would be in the public interest that an enquiry be made into the matters involved' --

That is, the matters that I have just recited there --

> 'in order that all questions of economic policy within the jurisdiction of Parliament arising out of the operation and maintenance of national transportation', may be examined and reported upon."

Now that enumeration does not detract from the general extent of these terms.

MR. EVANS: I think that is true, sir, I would not want it to be taken that I said it quite as broadly as Mr. Frawley put it.

THE CHAIRMAN: I am calling attention to that -- that not only this morning but from time to time questions will arise as to the scope of this enquiry.

MR. EVANS: And may I point out, sir, in that connection, that there is a paragraph in the order in council that does rather suggest to me that the discussion of specific rates and the remedies which the railways propose for them, might properly be left to the Board.

THE CHAIRMAN: Yes, I think I know the paragraph you mean -- the last one:

> "That the scope of this Commission shall not extend to the performance of functions which, under the Railway Act, are within the exclusive jurisdiction of the Board of Transport Commissioners."

MR. EVANS: Yes.

THE CHAIRMAN: Well, that of course, I think, almost stands to reason -- we are not to perform any functions that the Board of Transport Commissioners should perform, but have I heard you intimate, perhaps only indirectly, that because the Board has had committed to it a general enquiry or investigation into the freight rate structure, that therefore we should desist from any such other enquiry of our own -- perhaps I misunderstood you on that.

MR. EVANS: My point was rather this way, that the

generalities of for instance geographical disadvantages, having regard to transportation difficulties is, in my view, within the purview of the Commission, but an examination of scales of rates as such would seem to me, with respect, to be a matter of a general enquiry which was authorized in April of last year under the special Order in Council.

THE CHAIRMAN: How then would you interpret that first paragraph -- the last two lines about the:

"...anomalies which are said to be found in the existing tariffs of tolls and rates."

That language is there and we have to give it some meaning.

MR. EVANS: I would think it would have to be construed in the light of the final paragraph.

THE CHAIRMAN: Yes -- that we are not to perform any functions that the Board of Transport Commissioners that should perform, and of course we will not try to.

MR. MACPHERSON: The point raised by Mr.Evans there is one that I think is important to us, as I mentioned before -- in that we regard the Order in Council as very broad, and I do not know that I agree to what Mr. Evans suggested -- that we are fenced in in any way as a result of the Order in Council setting up the general freight rates enquiry.

MR. EVANS: But you are putting us fenced in.

MR. MACPHERSON: Is this Commission restricted because of the presence of the other Order in Council?

MR. EVANS: May I put it this way, sir, that we have under way ourselves, a study with a view to attempting some changes in the level of rates -- of the rate structure itself. Now if the provinces expect us to be in a position

to make suggestions of the kind we will make before the Board, I want them to understand that we cannot make those suggestions until we see the results of the Board's study -- that is my point. I do think, with all respect, that the disabilities -- geographic or otherwise -- arising from transportation problems, is something which this Commission can report on, and should report on, but when it comes to the study of the particular scales of rates, as rates, and the principles behind those rates, under the powers of the Board, that is one thing, but if this Commission, for example, should decide that some other scheme of rate-making should apply, then that would be something which this Commission might deal with.

THE CHAIRMAN: You had in view there probably Paragraph (b)?

MR. EVANS: I have not got it before me -- yes, well, that in conjunction with the other paragraphs, for instance (a).

MR. MACPHERSON: My point is this, Mr. Chairman, that we of the provinces are delighted that a pronouncement of this kind is being made by the Canadian Pacific Railway, but merely because they are making it for the purposes of the General Freight Rates Enquiry should not mean in an effort to solve a national transportation problem, that we would be denied the benefit of any studies which the Canadian Pacific Railway might have made.

MR. EVANS: I would not for one moment deny my friends the benefits of those studies, but I am pointing out to you that those studies cannot proceed to fruition until we know the results of the Board's study -- we do not have this

information ourselves.

MR. FRAWLEY: Then you should keep in mind that one of these freight way-bill dates is in October, 1949, and then you see the delay that there will be if we are not to get that information from the railways with respect to these differentials until October 1949 plus.two or three months.

MR. EVANS: Now my friends again are misconceiving what I suggest. My friends are suggesting that the railways ought to make its proposals in its submission, and I am merely saying to my friends that those proposals cannot be ready until we have the information as to the studies which the Board is undertaking to make, and I just do not want to be compelled to make suggestions that are not formed yet -- and that is all.

MR. CARSON: The date when the Commission might start -- to go back to that, might be determined or influenced by whether they start in Vancouver or in the Maritimes, but, be thatas it may, if everybody got on the railway trains on the night of Saturday, the 28th of May, and then it was decided that you were opening in one of the Maritime cities -- everybody could be there on Monday morning the 30th, or if the sitting was to be held in Vancouver, then they could be there on Wednesday, June 1st. When I was asking for June 1st in connection with the briefs, two or three days are neither here nor there, so if you would permit the time to go from the 28th of May -- and I gather that my friends are agreeable to that -- it would be a real help to the railways, having regard to the work to be done in the next few months, and I cannot see that the character of the evidence

to be submitted by these different organizations at the regional hearings would be influenced very much by what is going to be found in the railway's submissions because, as Mr. Frawley and everyone knows, they have these grievances, and they want to state them, and they will state them pretty much in their own way -- regardless of what the railways outline.

HON. MR. ILSLEY: Then your suggestion is what?

MR. SMITH: If you will pardon me a moment, may I just, Mr. Chairman, make one suggestion -- as I said in opening I think it is the purpose of the Maritimes Transportation Commission to consolidate in so far as it is possible, the submissions of these various bodies and it would be rather awkward to have to make a general submission of that kind on the part of the Maritimes Transportation Commission without having an opportunity to know what the contents --what points have been raised by the railways in their submissions.

I therefore would suggest, if it is agreeable to the Commission, that possibly one week's delay be afforded in order to enable the Commission to -- and I am speaking particularly for the Maritimes Transportation Commission, to examine the railways' outline-brief, and if that were done, that would necessitate perhaps that we commence on the week following to that suggested by my friend Mr.Carson.

Now I would be the last to wish to delay the commencement of the work of this Commission -- which I realize must be proceeded with with the utmost dispatch -- but I do make that suggestion in all sincerity, as I feel that it is only fair that the Maritimes Transportation

Commission should have the opportunity of seeing what is outlined by our friends for the railroads.

THE CHAIRMAN: And you think one week would be sufficient time?

MR. SMITH: Well I do not know that it would be sufficient time, but I do not think that we should ask for any more time, sir.

HON. MR. ILSLEY: Well, we now have three suggestions for the opening date of the regional hearings -- May 23rd, May 30th, and June 6th, and that is a matter that the Commission will have to consider.

THE CHAIRMAN: Yes.

HON. MR. ILSLEY: Well then, can we now consider what is going to happen when the real briefs are prepared -- the expanded briefs.

At some stage -- assuming that most of the provinces or many of the provinces will want to present their main cases in Ottawa -- and assuming that that is agreable to the Commission, then prior to that hearing -- at some time -- the Commission should be put into possession of -- and the various parties should be put into possession of -- the complete briefs.

MR. MCLEAN: Are we to understand, Mr. Ilsley, by that, that if we are adducing evidence, that you want that person's evidence in extenso in addition to the briefs because that may be of some special importance -- Manitoba may be giving evidence to the Board and are you interested in anything more than the briefs, when you say the "complete brief" , do you mean a complete word-for-word deposition?

HON. MR. ILSLEY: I may have been a little vague in

my thinking as to that, but what I had in mind was a fairly detailed statement of the case that the provinces wish to present, and I thought that possibly they might wish to call witnesses or they might not, but at any rate -- whether they do or not-- it seems to me that the Commission should be supplied with that brief some time in advance, and that the other parties be supplied also with the brief some time in advance of its presentation.

MR. MCLEAN: I only asked that question to clarify any distinction that there might be between what is submitted as a brief, and what might constitute evidence in support of that submission.

HON. MR. ILSLEY: I did not have in mind that you would have to give us in advance a verbatim statement of the evidence that you were going to give at all.

MR. FRAWLEY: Of course I think that is a very important point, sir. There will be prepared submissions but there will also be witnesses speaking for themselves -- for instance, I propose to put nothing in except from living witnesses, and what I am interested in knowing is what will be or may be the direction of the Commission as to delivery of that evidence to the other sides before it is presented in the witness box.

THE CHAIRMAN: Have you in mind what one might call "expert evidence"?

MR. FRAWLEY: Yes.

THE CHAIRMAN: Then you would have an expert giving evidence along certain lines?

MR. FRAWLEY: That is right, sir.

THE CHAIRMAN: And I presume then he would have a

written statement.

MR. FRAWLEY: That is right.

THE CHAIRMAN: Which he would read -- that is you would put him up as your witness to read his statement.

MR. FRAWLEY: That is right.

THE CHAIRMAN: Perhaps we used the word "brief" too often with a different meaning -- but this would be his statement.

MR. FRAWLEY: Yes.

THE CHAIRMAN: Well, he does just that, and that is all taken into the record -- well after he has done that, then of course he must remain available for examination by yourself and cross-examination by somebody else -- and examination by counsel for the Commission.

MR. FRAWLEY: Immediately, I would say.

THE CHAIRMAN: Well, that is a matter to be decided later. It might be better to have the counsel for the Commission examine him at the beginning or at the end, although I do not think there is any difficulty to be anticipated there, but I would fancy that would be the procedure -- and I say that because that has been the procedure followed in the various other Commissions that I have been associated with.

MR. FRAWLEY: That is, my lord, what I had in mind.

THE CHAIRMAN: Have you in mind any witness who would not have a written statement to give ?

MR. FRAWLEY: No.

HON. MR. IESLEY: I think the point we are on, Mr. Chairman, is this -- is the witness' prepared statement to be delivered to the Commission in advance, and to the

other parties in advance.

MR. FRAWLEY: That is the question.

MR. CARSON: I think both sides might prepare precis or statements of what the witness proposes to say and that those might be furnished to the Commission in advance.

Now it does seem to me that in carrying out the thought which we have all agreed upon -- thatis to avoid any litigious atmosphere, that if those statements were sent to Mr. Ilsley or to the Secretary, then we could come along to the room and we perhaps could sit in the room -- with this happy, informality -- rather than in a too formal manner -- just sit around the table and discuss the evidence with the witness rather than to have too much formal cross-examination or re-examination, or that sort of thing, and in that way we might achieve the end which I think we all desire to achieve, and Mr. Ilsley and the members of the Commission, having read the precis and wanting to arrive at some determination of the matter, could sit around that table with all of us present and could then say, "What about this problem" -- and then it might be discussed in a not too formal way, because I am almost appalled when I think of how much reading will be involved in the voluminous submissions that will be given from all parts of the country -- and to get down to the real work and sift the thing, if we could sit down without too much formality around a table and discuss the thing in a really open way, then I think we would be getting somewhere, and in saying that, I am not suggesting that anything be taken away from the responsibilities or plans of Commission counsel.

My view would be -- in the light of other Royal Commissions that I have been in, that we would present these things to Mr. Ilsley but Mr. Ilsley, who is Commission counsel, will have his own idea as to what will be helpful to the Commission.

Then I am not suggesting in any way that any party on either side should not discuss the thing with the particular individual, but I would hope that everybody would be in accord that we do not carry this on in a too formal way, because otherwise I think we are going to lose the advantage, as has been stated, of avoiding litigious attitudes.

MR. SMITH: Are you suggesting that there be no cross-examination?

MR. CARSON: No, I am not suggesting that, but I think a discussion across a table would really get us some place.

HON. MR. ILSLEY: That is a matter for discussion on a subsequent point -- and perhaps for the purposes of this meeting, perhaps we could settle this one point -- which I do not think is settled at the moment, as to whether a copy of the statement which a witness is proposing to read, should be supplied in advance.

MR. MACPHERSON: I think that is a reasonable and a proper thing to do, and I think they should be delivered at least a week before the witness gives the evidence.

MR. CARSON: From what I have heard around the table, I think we are all agreed on that.

HON. MR. ILSLEY: Then I do not think we can do much more about that -- that is, about the rules as to the times of delivery -- for instance, somebody might say "I am not

going to send my statment to the other side until I get his statement -- get the statement of the people he is going to call". How are we going to solve that? That is physically impossible.

MR. MACPHERSON: Then that brings this question up: "We have all been talking about the provincial briefs, not fromthe standpoint of litigious aspects -- but what about the railways -- they are putting briefs in here - well now, are they putting theirs in before us, or after us, or are you going to mix us up"?

MR. O'DONNELL: To solve that problem, the Commission may not release one to you unless you delivered one to the Commission for the others.

MR. MACPHERSON: I do not think there is any desire on the part of anyone to be technical at all.

I think what we should have is that a copy should be in the hands of Mr. Ilsley, available not for the other side, but for any side, so that there can be intelligent questions asked of the witness, and I refrain from using the term "cross-examination", but I say, "intelligent questions" asked by any interested party who may be appearing before the Commission.

HON. MR. ILSLEY: Now are these copies to be sent to the Commission or to the parties?

We were talking about this last night, and we thought if we got six copies for the use of the Commission and left it to the parties to send copies to one another, that that would be better from our point of view.

MR. MACPHERSON: Ordinarily I would suggest

that normally they would be cleared through the Commission, but the test of the good will, as between the parties, as we are trying to establish it here, should work or should mean that there would be an exchange without any trouble between one and another.

THE CHAIRMAN: Do you mean that at the same time that you would forward your brief to the Commission, you would also forward a copy to the counsel for the other provinces and to counsel for the railways?

MR. MACPHERSON: I would think so, and advise Mr. Ilsley.

HON. MR. ILSLEY: And that is what we had in mind.

THE CHAIRMAN: I think that would be the best procedure.

MR. MCLEAN: Of course that would work very satisfactorily with the relativeley small number of counsel that we have here today, but if this extends beyond those here today, we may be in a very different position.

THE CHAIRMAN: Different in what way?

MR. MCLEAN: You might have the trucking people appearing before the Board, and you might have them coming in -- or, for instance, the shipping interests might appear, so that there would be that problem of whether or not to supply copies to them.

THE CHAIRMAN: I think today we had best confine ourselves to dealing with this immediate problem of the railways and of the provinces.

HON. MR. ILSLEY: Those anyway will be the largest part of it.

THE CHAIRMAN: At the same time that you send us the six copies which we require, you would send copies also

to counsel for the provinces and counsel for the railways.

MR. MACPHERSON: And that is as far as we would have to go. I do not think simply because Tim Buck may come and make a presentation -- as he undoubtedly will -- that we are going to honour him with a copy.

HON. MR. ILSLEY: No.

THE CHAIRMAN: Then as we proceed, no doubt other questions will arise, but we will deal with them as they do arise.

MR. CARSON: Can the secretary supply us with a list of the parties to whom we should send these copies?

THE CHAIRMAN: So far as we are concerned here this morning, we know only the parties who are around this table.

We have other parties, true, but I do not know whether any of them or all of them should get copies of your brief -- or whether if they did, it would be useful to them.

HON. MR. ILSLEY: I would think, subject to what the secretary may say, -- I would think that other bodies presenting briefs and wanting copies of briefs -- that that would be a matter for him. However, he can follow that matter up.

MR. HUNTER: Yes. As we obtain requests from the other groups we can so advise counsel for the provinces and for the railways, and they can increase their contribution of briefs to take care of that.

HON. MR. ILSLEY: Well, I do not think there will be a great number. Perhaps that is enough on that point

THE CHAIRMAN: Yes.

HON. MR. ILSLEY: The next point in order is a small point, and that is the question about the transcript.

We are correct, are we not, in our assumption that there should be a stenographic report kept of the proceeding on all these hearings, and, Mr. Hunter, you may want to say something about the number of copies that will be required by the provinces and by the railways and the terms upon which they will be supplied?

MR. HUNTER: Yes, I do.

On the question of the transcript, of the evidence, we are planning on a daily transcript of the proceedings on the regional hearings because much of the work will be done in point of time, while we are away from Ottawa.

We are setting up our own reporting service and we propose to supply the number of copies required bycounsel, but we would like to have an indication as to the minimum number so if the spokesmen for the railways and for the provinces could just briefly indicate what they know now about their requirements -- although that will not preclude them from ordering additional copies at a later date -- it would be of assistance to us.

What about the Canadian National Railways, Mr. O'Donnel or Mr. MacMillan?

MR. MACMILLAN: Well, we would take two continuous copies, but frequently we would like to augment that number.

MR. EVANS: I think I can say that we would take two certain, and we would like to take additional copies of at least part of the evidence.

MR.BRAZIER: One will be sufficient for me.

MR. MACPHERSON: One or two possibly.

MR. MCLEAN: A minimum of two and possibly three for Manitoba.

MR. FRAWLEY: Two for Alberta.

MR. SMITH: One for Nova Scotia and one for the Maritimes Transportation Commission.

MR. CAMPBELL: Prince Edward Island one.

MR. HUNTER: Well I think that gives us a sufficient indication for our purposes. We will have a minimum of about fifteen and that will cover our costs.

Now on the question of costs, we are going to try and keep it on a cost basis, and it will be my responsibility to give it to you as cheaply as possible. I have an understanding of what you have been paying for your copies now, and we will be able to meet that price, certainly, and perhaps be able to reduce it.

MR. MACMILLAN: That is going against private enterprise.

MR. MACPHERSON: Then one thing more -- I presume a transcript of today's proceedings will be available to us?

MR. HUNTER: No decision has yet been made in that regard. We are getting a transcript, and we have made arrangements to have it mimeographed if there is a call for it, and if the Chairman instructs us to release it.

MR. SMITH: I think a transcript of today's proceedings would be very helpful to the parties here. This has been quite a long discussion and various and different views have been expressed.

MR. MACPHERSON: I am not urging that it be made available for the purposes of using it against anybody

else or anything like that, but I am more particularly concerned with getting a copy of it for the purposes of reading it, and to see that we have not exceeded our instructions.

THE CHAIRMAN: And to keep your own memory in order as to what has occurred here.

HON. MR. ILSLEY: Well perhaps that is enough on that point.

The next point is the point that Mr. Carson started to mention a few minutes ago, and that is the manner of the submissions to the Commission.-

Mr.Carson suggested that they be presented through Commission counsel. Now I have doubts as to whether that is the best method to follow. I would have the thought that when the provinces for example, start to present their cases, that counsel for a particular province would put his witness on the witness stand and ask him to give his evidence, and then supplement it by any questions that he wished to ask, and then that either Commission counsel would follow, or counsel for the other provinces.

Now I think Mr. Carson's fear is that that is too formal, and that it will lengthen the discussions, but if I take the responsibility of examining in chief at the outset, I may not do so to the satisfaction of the province presenting the evidence, and I would undoubtedly be followed in that event by counsel for that province, who would supply my omission, and if that were done, I would say that the time consumed would probably be greater than if counsel for the province took the witness in hand himself at the outset, but that is a matter which I would

like to hear the views of those present on.

MR. MACPHERSON: You will find occasions, Mr. Ilsley, when interested parties will be there with their own counsel, who are not Commission or Provincial Counsel, or Railway Counsel.

I have in mind, for instance, the coal interests will have their own counsel. They are preparing their own brief, and their own counsel will be there.

Then, so far as Saskatchewan is concerned, this is what I would suggest -- if any witness desired the assistance of provincial counsel for Saskatchewan, I would be glad to lead the evidence for him -- have him read his statement and go into the matter with him -- read any evidence which is necessary and I would assist the Commission to that extent -- then Commission counsel could carry on the examination further if he desired to do so.

HON. MR. ILSLEY: Or Railway Counsel.

MR. MACPHERSON: Or any other Counsel. And I might be able to help the Commission in that regard, if that were done.

MR. O'DONNELL : I think it would certainly help Mr. Ilsley probably in his task. If he had to brief himself with respect to the evidence of every witness that is to come forward it would be a hopeless task. I think if counsel lead their own evidence in the first instance, and then it is developed by questions of any other interested parties and finally in the questions of Mr. Ilsley, it would shorten his task a lot and it would be of some assistance.

MR. EVANS : May I say, having been present when Mr. Carson made his suggestion to you earlier, when we had our informal discussion, that it was in both our minds that Commission counsel would elicit the evidence and that has been confirmed now as the proper view, because everyone I think now agrees that there will be evidence, written prec o. by each witness, and then that would be adduced by the witness reading his statement and the Commission counsel would elicit such additional information as Commission counsel felt was proper, and if there was any supplementary information required perhaps counsel for the parties might intervene. But it does seem to me that in the way Mr. Carson suggested and the way I am now suggesting, that Commission counsel has control of the proceedings throughout and it takes away that atmosphere of competitive character.

THE CHAIRMAN : The whole question is at what stage in the hearing of a witness should Commission counsel take the witness in hand? It seems to me, without deciding anything at all, would it not be best to have his own counsel, say for the Province, first deal with him

and then anybody else, another province or one of the railways, would deal with him, and then have counsel for the Commission clear the witness up for us.

MR. MacPHERSON : That is my view, Mr. Chairman.

MR. CARSON : I don't think we are really far apart on this. I had in mind, Mr. Ilsley, now that we know there is to be written precis with each witness, that you would present the witness to the Commission and he would commence to read his precis, but as he went along, I mean if he went along reading through without any interruption in a monotone it becomes a dull thing, but as he went along the Commission counsel might say "Now, what do you mean by that sentence in your brief? I don't know whether I quite follow the proposed remedy" you might say. Then when he is through -- I am not suggesting that Mr. Ilsley has to take on the burden of a long examination in chief of the witness, but I am rather thinking of Mr. Ilsley leading the witness in the reading of the precis, then after he is through, I don't think it makes any difference, if Mr. Ilsley wants to follow it along, that is fine, and then Mr. Frawley for Alberta, if it is his witness, might seek to enlarge on it by some questions and then the railways and counsel for any other parties would follow with any questions they had to put. To get away from that cross-examination atmosphere is what I am suggesting we should seek to achieve.

MR. MacPHERSON : Mr. Chairman, I do not agree with Mr. Carson, for this reason, that any witness who goes in the box for the information of the Commission and the information of the record, apart from what is in his

brief, you have got to prove from him who he is and what he is doing, how long he has been in business and what his connections are. And that can best be done by that provincial counsel or whoever presents the witness.

THE CHAIRMAN : By provincial counsel.

MR. MacPHERSON : Or his own counsel, if his own counsel is there. It is not the thought - I would be most pleased to have Mr. Ilsley take over all the witnesses in that way, but I am thinking of the practical situation.

MR. O'DONNELL : Of your fee, too.

MR. MacPHERSON : The fee speaks.

THE CHAIRMAN : Has anybody else got anything to say on this point?

MR. McLEAN : I am interested in view of that reference that Mr. Frawley made. I am really in accord with what Mr. MacPherson said. I find it difficult to differ with Mr. Carson very much on it, but I don't like the idea of burdening Mr. Ilsley with the preparation of my witnesses.

MR. CARSON : I am not suggesting that either.

MR. McLEAN : I would be very happy to turn them over to Mr. Ilsley.

THE CHAIRMAN : It seems to me, as I said at the beginning, when should counsel for the Commission intervene? And I am very glad to have your different views. Has anybody else any views to express?

MR. O'DONNELL : I agree with Mr. MacPherson or Mr. Frawley.

MR. SMITH : I assume, Mr. Chairman, we are referring to witnesses - for instance, if Mr. Matheson was

presenting the consolidated views of the various organizations, in order to save the time of the Commission, I suppose in so far as any factual evidence is concerned, he should be cross-examined, but I suppose in so far as his submissions are concerned, that is a matter of argument.

THE CHAIRMAN : Yes.

HON. MR. ILSLEY : But there might be questions asked for explanation.

MR. SMITH : It might be in order when Mr. Matheson would be on, that he might have some supporting witnesses to speak of some aspect of the evidence that is in the submission, I think that possibly could easily be arranged, instead of a witness going on and making submissions or giving testimony, he be on hand to answer questions.

HON. MR. ILSLEY : I think, Mr. Chairman, we have an expression of views and it will be a matter for the Commission to decide.

THE CHAIRMAN : Yes.

HON. MR. ILSLEY : There was some reference made by Mr. Carson to the informality of the proceedings. I don't know that we can advantageously discuss that. I think if the object is to keep the litigation atmosphere out of that as much as possible, we can adapt the degree of informality to the proceedings, as we proceed. If it is too informal it becomes disorderly, and if it is too formal it may be a disadvantage to us, apart altogether from this atmosphere, it might prolong it, I suppose.

MR. MacPHERSON : Just one thing on the place. I have no idea where the Commission will be sitting in Ottawa, but I think all counsel who are here will agree that

if it is hot the last place to sit is the Board of Transport Commissioners.

THE CHAIRMAN : Is that so?

MR. MacPHERSON : Yes.

MR. McLEAN : There is no doubt about that.

MR. EVANS : Or the room behind the Commons' Chamber.

MR. MacPHERSON : It is a terrible place.

HON. MR. ILSLEY : It is hard to find a place that is not hot unless it is air-conditioned. We are assuming we will be back from these regional hearings before the summer is over.

MR. O'DONNELL : Perhaps Mr. MacMillan could arrange for us to sit in Jasper.

MR. MacMILLAN : Delighted.

HON. MR. ILSLEY : The next point that has to be covered is the request for information. It has not been covered. There will be requests for information by certain persons interested of other persons interested, and sometimes the information asked for is very extensive and the party asked for the information demurs because of the length of time it will take and the expense, and then the Commission may be asked to give some directions. I don't know whether we should discuss the principles that should apply to a situation of that kind, but thinking it over myself I thought that information should be supplied and perhaps should be directed to be supplied if it is regarded by the Commission as relevant and if it does not involve an undue expense or delay.

MR. McLEAN : That will arise in two ways, Mr. Ilsley. Undoubtedly in the preparation of some

aspects of the provincial case the information required to develop the detail will be in the hands of someone else, for example, the Canadian National or the Canadian Pacific Railway Company. That is something which we can reasonably anticipate. And if that information is to be required I think as quickly as possible application should be made to the other side for the production of that information, and if there is any demur then an application should be made at an early date to the Commission for a direction with respect to the information. That I think would be a reasonable approach to that type of information.

But one is bound to run into the situation when a person makes a statement, you have it a week, say, in advance, he gives some evidence, and there will be times when during the hearing matters of information will come up. Is there to be any direction as to when we should make any application, or is it going to be a matter of being foreclosed if we have not anticipated the information required until the witness' precis is read? We have had a great deal of experience with that.

MR. EVANS : Perhaps I could contribute something. As to the first of Mr. McLean's two categories, I would hope that the provincial counsel could get together and make a list of the information they feel they should have for their principal submission as early as possible, because with all the will in the world to supply the information - and I want to assure the Commission we have the best will to supply any information that may be helpful to the Commission - it is impossible to appreciate the extent to which a request goes until we have had a chance to

look into it, and it does take time.

I have particularly in mind a request which I have already before me, and which I have given an answer to.

We have a desire to give information, but I do hope that two things will happen: First, that all provincial counsel will get together and avoid duplication, cut to a minimum the things they require, and give us as much time as they can to supply that information.

Now, with regard to the second category I don't think any real question will arise if information is asked during the course of the hearing or when a witness is on the stand. I for one, unless it is plainly irrelevant, would want to supply that information as quickly as we could.

I think if the main question were settled the other takes care of itself, the main question being that we get as early and complete a request, as nearly complete as possible, and amounting to as little duplication as possible, so we can proceed at once to prepare what will be required.

MR. MacPHERSON : The only thing , Mr. Evans, is when we leave here tonight we are going to be scattered over a very broad country, and it is going to be very difficult to collaborate, so to speak. But personally I welcome the statement by Mr. Evans. I can only say this, that I hope it will not be necessary to make any application to the Commission for directions at all, and it should not be. We have had too many arguments perhaps in the last two years over that, Mr. Evans, you and I.

In any event, we will try to let you know as early as possible as we want the information, but we certainly do welcome the statement from Mr. Evans that they will make available to us what evidence they feel is reasonable to be asked for.

MR. McLEAN : One other point on this matter of data, the evidence which may come from the other side, undoubtedly inthe two hearings which have just been had in the Board a good deal of evidence has been furnished, and looking particularly at the specific heading (d) "accounting methods, stati tical procedure on depreciation and a segregation of assets and revenues and so on," I take it that in order to avoid the necessity of examining witnesses de novo on that point, to the extent that that evidence is relevant and is on the record of the Transport Board, it would be perfectly proper to refer to that and produce that as data which might be considered by this Commission.

HON. MR. ILSLEY : I should think so.

MR. CARSON : As far as the Canadian Pacific is concerned, the suggestion of Mr. McLean would be generally acceptable.

HON. MR. ILSLEY : I should think so, it would be acceptable.

MR. McLEAN : It will avoid a great deal of detail. Of course, I presume, if we should reach any stage when there is a question as to whether a thing should be furnished or not, that is, as to relevancy, we could obtain an appointment before the Commission and have it settled.

MR. MacMILLAN : You are speaking now of production?

MR. McLEAN : Yes.

MR. MacMILLAN : It might be dealt with at the time the request for information is made, and a copy of the letter requesting the information is sent to the secretary and we, the railways, will send copies of our letters so the Commission will be seized of it at all times.

MR. McLEAN : That is quite all right. That might also, by sending copies to the other counsel who are here, that might get over some of the difficulties that Mr. MacPherson envisages as to the distance that might be taken up, and problems of that nature will turn up at a very early stage.

MR. EVANS : Of course, we have a very fine telegraph service.

MR. FRAWLEY : Which one?

MR. O'DONNELL : It is only exceeded by ours.

MR. McLEAN : What about the teletype service?

MR. EVANS : I was thinkingyou might get hold of Mr. MacPherson and Mr. Frawley and suggest "We are asking for this and that".

MR. McLEAN : We will try to do that.

HON. MR. ILSLEY : The only remaining point that is of some importance is this point 6, should there be a public session, one could hardly call it a sitting, in Ottawa before the regional hearings are held, and if so what should be done at that session? And will there be any attendance? Will those representing the Provinces and the Railways and others come, and if so, what will they do if they come?

Now, it seems to me that there ought to be one.

It seems to me that the purposes might be somewhat as follows: To make clear to the public the purpose and scope of the inquiry, and to dispel any misconceptions in this regard.

I have a feeling the distinction between the duties of this Commission and those of the Board of Transport Commissioners is a little difficult to understand by a great many people, and there may be misconceptions about it in the public mind, and that something should be said about that.

Another purpose would be to answer any questions in the public mind as to what the Commission is doing and intends to do. I would not like the public to get the idea that the Commission is doing nothing, and that it has developed in an atmosphere of mystery, and it has been inactive for a long time. And I think questions are being asked, and in fact questions have been asked by the Provinces.

MR. CARSON : You might have a photograph taken of this meeting.

HON. MR. ILSLEY : I don't think so, no.

And another purpose would be to launch the Commission on its work in an open, public and dignified way.

I think myself there should be a public session, and the question arises as to the date and the question arises as to what should be done at it.

I suggest, for discussion, that the terms of reference be read and that there be an opening statement by the chairman pointing out the extent and the limitations of the Commission's terms of reference, inviting co-operation and expressing the hope of beneficial results, a statement by

Commission counsel about the itinerary and outlining the procedure, covering some of the points we have covered here today, and statements by other counsel, if they wish to make them, perhaps assuring co-operation and perhaps mkaing some suggestions if they feel that the statements made by the Commission counsel and the chairman are not altogether satisfactory, because a lot of these points today are not decided yet, and probably the first notification of the decision on them would be made at this meeting. It would be unfortunate if we got into a long public wrangle at that opening session, but if there were refined differences of opinion about what we should do, then I think the Commission would have to decide that there, and the Commission should avoid I think being too rigid or too definite about these matters. They should leave a way out to change their plans from time to time to adapt them to circumstances that arise.

Isn't there some value in a session of that kind at Ottawa?

MR. CARSON : We are in full agreement.

MR. MacMILLAN : I think there is a great deal of merit in what you say.

MR. MacPHERSON : I think there is too.

MR. MacMILLAN : And have a determination of these various matters. After all, after the discussion today, there does not seem to be much that has got to be settled. You have got the date of the regional hearings, May 23rd, 30th, and 6th of June, and I don't think that anybody is going to wrangle over which day is settled on.

THE CHAIRMAN : The point is, is it worth while

bringing counsel here from all over Canada? The alternative to what Mr. Ilsley suggests, and these are only suggestions, wherever our first regional sittings take place might be used as the time for the making of the general statements that might be made about the purposes and objects of the Inquiry and so on. That has been done on some occasions. But is it preferable, instead of that, to have a special meeting at Ottawa to do it? Could we count on attendance here if we do it?

MR. MacPHERSON : Speaking for myself, I am two days away and quite a long hop by air from Ottawa, and without wanting to be in contempt of the Commission in any way, in a sense there would be really nothing controversial at that sitting, I would not feel, unless specially instructed, that I should come. But I would think there would be some provincial counsel. Mr. Frawley might be here, or Mr. McLean is closer.

THE CHAIRMAN : Mr. Frawley is even farther away.

MR. MacMILLAN : But he lives here.

MR. MacPHERSON : He can speak for us.

MR. FRAWLEY : If the alternative is that you would make this first announcement only at the first regional sitting, and that happened to be say in Halifax, that would be quite a long piece to go to hear those rather important announcements, as I rather gather from Mr. Ilsley they might be so characterized.

THE CHAIRMAN : Yes, they are, and unless we have a preliminary hearing here we should have to make them only at the first regional hearing.

MR. FRAWLEY : That is right, and if there were

some things, as Mr. Ilsley stated, there might be some slight things admitted, then it would be too bad to go there and take up the time.

MR. O'DONNELL : I think from the point of view you have in mind it would be much better to have it here. The Commission was born here and this is the place where the thing should be done in that way.

MR. McLEAN : I would think so. I would agree with that.

MR. O'DONNELL : We could get enough attendance to warrant it.

THE CHAIRMAN : That, of course, would be a public meeting.

MR. CARSON : The Canadian Pacific is in accord with that.

MR. McLEAN : Would there be any statement of policy as to these matters discussed,made at that meeting?

THE CHAIRMAN : As far as we can go. There are many questions that are beyond anybody's ability to foresee much less to decide. The statements would have to be as definite as possible, but the words "as possible" have a lot of weight there. I don't know what will happen as we proceed, but I think myself the mind of the public ought to be cleared in a general way, because there have been misconceptions and mis-statements even in the Press as to what this Commission is intended to do. So that I think the objects at least of the Commission might very well be set out on that occasion.

MR. FRAWLEY : The itinerary would be known before that date probably, would it not? Depending on how soon

the meeting would be held. But the important thing is whether we are stating in the East or the West.

MR. MacMILLAN : And when.

MR. FRAWLEY : And when. In that respect I think we should have the advice as soon as possible.

THE CHAIRMAN : Yes, you should be advised as soon as we make up our minds.

HON. MR. ILSLEY : The date we had in mind, which was discussed of course before the discussion today, was the 2nd day of May for this meeting.

MR. O'DONNELL : That would be all right, that would give us plenty of time.

THE CHAIRMAN : That is, if you knew the itinerary only then, that would be sufficient?

MR. MacPHERSON : Yes.

THE CHAIRMAN : The other Commissioners will have to come to Ottawa and the Commission will have to decide all these question and get them decided as definitely as possible, and have this public session and announce them.

MR. CARSON : It is rather an important question perhaps, in connection with the regional hearings, if you are planning an itinerary in advance, I should think the Commission would want to know how long each province expects us to be in that particular province, because there are matters of hotel accommodation, railway transportation and so on.

HON. MR. ILSLEY : Yes, your point I think is we might not be able to know that before a certain occasion. I understood in talking to Mr. MacPherson on one occasion that the Province of Saskatchewan could give some idea of the

probable length of hearing in Regina.

MR. MacPHERSON : Yes, I think we can do that.

THE CHAIRMAN : That could be done then for all the Provinces.

MR. MacPHERSON : I think it should be.

HON. MR. ILSLEY : And it need not be too rigid. Perhaps we could make this statement with certain reservations, that that is what we will aim at, so they know within a reasonable time. There will have to be public notice given of the hearings, in addition to the Press will there not?

THE CHAIRMAN : Yes.

HON. MR. ILSLEY : But this will be a statement of the intentions and plans of the Commission.

THE CHAIRMAN : About how many days do you think?

MR. MacPHERSON : I think three days in Regina, and I will check when I go back. I think three days would be sufficient.

MR. CARSON : How many did you say?

MR. MacPHERSON : Three.

HON. MR. ILSLEY : Mr. Hunter, the Secretary, suggests that he might write to the Provinces and ask them to let us know within a certain time - within two weeks.

MR. MacPHERSON : We will do that.

HON. MR. ILSLEY : From now.

MR. MacPHERSON : From now.

HON. MR. ILSLEY : What time they think will be required.

MR. MacPHERSON : We will let you know. We have been trying to find out how many of the different societies

will want to make representations. We know for instance the Board of Trade in Saskatchewan, they are doing quite a lot of work, I think it is Mr. Wetmore of the Law School who is working with them on it, and there will be a case for instance where their own solicitor naturally will be presenting their case.

MR. O'DONNELL : You will arrange for appropriate souvenirs?

MR. MacPHERSON : We presented them last time with some of our canned horse meat, which Mr. O'Donnell appreciated very much.

HON. MR. ILSLEY : I had nothing else on my mind.

THE CHAIRMAN : Has anybody else any point that he thinks might be brought forward now usefully?

MR. McLEAN : Mr. Chairman, there is one point on which I would like to direct a question to the Commission. Undoubtedly with respect to some of these matters they are matters of statistical and accounting procedure. Undoubtedly if we have submissions to make we will endeavour to round out, as lies within our power, the evidence with relation to them, but I assume that the Commission will have advisers and that if we present a case which merits investigation, although it is not worked out to the ultimate detail, that it will be studied by experts on behalf of the Commission?

We are in a difficult position in the Provinces in obtaining certain railway experts. A great deal of the information is information in the hands of the railway and we, in Manitoba, are rather interested in that aspect. We are going to do our best to present data,

as full data as we can give, but obviously we are somewhat handicapped in personnel.

I think, for example, in the matter of accounting procedure, railway accounting procedure, we have certain views on that, but they are obviously of a general character following along the lines of the I.C.C. When we have said that we have said about all we can get anybody in Manitoba to say.

THE CHAIRMAN : You would say that to the Commission in your brief.

MR. McLEAN : That will be in the brief and probably by a supporting witness, but it would certainly not by any means be exhaustive of the subject.

THE CHAIRMAN : Have you in mind having your supporting witness heard later here in Ottawa or in Winnipeg?

MR. McLEAN : I think undoubtedly on these matters Ottawa would be the most appropriate place, because you would hear the evidence in opposition. I would be inclined to think if we have any submission to make on that we would make that here. But I was concerned with the problem of eliciting full information. We are desirous of not being in the position, we don't intend to be if we can avoid it, of having to stand so to speak, on that discussion and be met with some evidence adduced by the railways, and the matter just left in the level of the weighing of the respective qualifications of the witnesses to speak as to that provision. If we raise a point which appears to the Commission to be of some substance, will that be investigated by the Commission's experts?

We may be anticipating a little bit but it is a problem with which we will have to wrestle, Mr.

HON. MR. ILSELY : I am sorry, I don't know that I just understand your suggestion.

MR. McLEAN : Let me take an example: In the United States there are certain prescribed accounting procedures for keeping accounts. Now, to a large extent that is followed and to a certain extent it is not followed in Canada. I am relying on the data I have from the two preceding cases. We will undoubtedly put in some evidence as to the advisability of uniform accounting procedure. But are we to assume that having put that evidence in, and the railways call some evidence, that the matter just lies there for decision on that matter on the weight of the evidence which is adduced on one side as against the weight of evidence adduced on the other side, or will that matter be independently investigated by the Commission?

HON. MR. ILSLEY : I would assume it would be independently investigated of course.

MR. McLEAN : It would not be a matter of decision?

HON. MR. ILSLEY : On the evidence ?

MR. McLEAN : On the evidence, that is the point.

HON. MR. ILSLEY : No.

THE CHAIRMAN : And there would be no exclusion of evidence just because you did not happen to raise it.

MR. MacMILLAN : Mr. McLean probably had in mind the question as to whether the Commission would have available to it technical personnel to consider these topics he raises, is that the point?

MR. McLEAN : That is the point I have in mind. The best we can do is to raise a point which seems to us important and there may be a difference of opinion between the witness we call and the witnesses of the railways.

MR. MacPHERSON : That is, the Commission reserves the right to make studies of its own.

HON. MR. ILSLEY : Yes, and they will undoubtedly have to. I see your point, Mr. MacPherson.

MR. MacPHERSON : It was Mr. McLean's point.

HON. MR. ILSLEY : Yes. I would doubt whether the Commission could make available their experts to advise the Provinces.

THE CHAIRMAN : No that was not asked for, I don't think.

MR. McLEAN : No, I was not suggesting that, but if studies are put forward, I presume they will be filed by the Commission and be available.

HON. MR. ILSLEY : Yes.

MR. FRAWLEY : Might I make this suggestion, when the Commission has decided when they will start these regional sittings, and when they will consider the advisability of the Press announcement to that effect, they do not wait until the very last moment, if perchance the Commission decides in the next two weeks, that would give the public six weeks rather than four weeks to prepare for these regional hearings. If there has been a decision made by the Commission, in any event, within the next two or three weeks I would respectfully suggest we need not wait until the 2nd of May to receive that announcement.

THE CHAIRMAN : You must bear in mind that my

colleagues are not here and cannot come here for some little time yet. And is a matter which they would have to decide. But as soon as we have settled it, you think it would be advantageous to announce it before the meeting at Ottawa?

MR. FRAWLEY : That is right, sir, and not wait until the 2nd of May if that were not necessary.

HON. MR. ILSLEY : It takes away one of the reasons for the meeting on the 2nd of May and makes it a flimsier meeting still.

MR. MacMILLAN : Perhaps you won't be able to decide that until just before the meeting.

HON. MR. ILSLEY : No.

MR. McLEAN : Will you guarantee us accommodation at all hotels on short notice?

MR. MacMILLAN : One month's notice.

THE CHAIRMAN : Is there anything else before we separate, because if there is not there is just one thing I would like to mention. I have no doubt the Press will be anxious to know what is occurring here, and in order to avoid misunderstandings, I would like very much if we could take this position, that we, the Commission ourselves, will give a statement to the Press today as to what has occurred, and if you gentlemen would care to leave it at that in case you are questioned, it would be appreciated very much.

MR. MacPHERSON : It will be a relief.

THE CHAIRMAN : Well, then, "until Phillipi".

I thank you again for having come here this morning.

MR. MacPHERSON : Thank you, sir.

THE CHAIRMAN : Because it has been very helpful.

MEETING ADJOURNED
